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Cuba

Castro Speech on Anniversary of Palace Assault

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[Speech by President Fidel Castro Ruz at Jose Marti Revolution Square in Havana—live]

[Text] Dear and admired relatives of the combatants who fell on 13 March; dear student comrades. I felt I had to explain something when I saw you jumping and chanting: He who does not jump is a Yankee. I thought to myself, I hope this does not get me into any trouble. [crowd laughs] I began looking over here at my Executive Committee comrades and ministers who are with us while I asked myelf if I could jump like you people. [crowd laughs] I shrugged it off thinking, hopefully, you had forgotten, but I see you are back again and in full force. I was remembering a few weeks ago when I was inaugurating a behavioral disorder school near Samaria or some other municipality around there. The boys were playing basketball, so I approached them to play too. In my days, I was quite good with the ball, shooting from an angle. It was a little rubber ball, not a regulation basketball. No, I am not going to blame the ball, as it was I who was out of shape. I tried to take a shot but it fell short. I tried again until I managed to reach the rim. The boys suggested I shoot closer, but I said: I am not leaving until I get it in. What could have made me say such a thing? I had to be on my way to inaugurate other schools. I tried 10 to 12 times when I heard something snap. [crowd laughs] I could only think of all the schools I still had to inaugurate. I said: I think I shall take your advise; I am going to throw it from here. I finally made the shot. [applause] One tends to forget that one is no longer the university student of the 1940's. One is told one should not try this without first warming up; one should not try sudden jumps without warming up first because one may tear a ligament or who knows what. I was told too late; I had already jumped 10, 12, or 14 times! I had forgotten all my commitments; I was scheduled to inaugurate other schools. If I had known you were here waiting with the watchword: Those who do not jump are Yankees, I would have spent half an hour warming up befome coming here. [applause] By then I had no choice, but I still managed to jump, although it may have not been much. [crowd chants: "Those who do not jump are Yankees!"] I already jumped three times; the jumps may not have been like Sotomayor's, but I still jumped and proved I am not a Yankee. Can you imagine my being termed a Yankee, here? I do not know who jumped over here. [applause] I do not know if there is a Yankee reporter here and whether he might have jumped as well; maybe he caught on from you.

Comrades, after this anecdote, allow me to refer to what has brought us together here at this square. This is the first time in many years because we generally meet on the other side. Comrade Felix said there were 30,000 or 40,000 students here. I do not know if many more joined in along the way, but it seems there are more than 40,000 citizens at this rally. [crowds cheer] Today we commemorate a historic date that is deep within the hearts of all the people and of our students, too. It is the anniversary of the attack on the palace and the death of Jose Antonio Echeverria.

It was on a day like this, but somewhat earlier. We remember it well because we had embarked on a long journey toward the eastern part of the Sierra Maestra and we—a small group of fighters—were returning to meet with Che and other comrades. Che had to remain in a given zone because of health problems and a group of fighters was coming from the old Oriente Province as reinforcements for our troops. We were at that moment 12 men who had embarked on a campaign. We were going toward the west and we were at the base of the mountain that was several times our capital, meaning Caracas Mountain. It is not a big mountain. It measures 1,200 or 1,250 meters at the most, but it was very well known by us in difficult times. We were at the base of the mountain where we would make a stop.

We had a small radio and when we stopped we turned on the radio and tried to catch the national news. It was a small battery radio. The moment we turned on the radio we heard the Radio Reloj signal—but without the announcer's voice. That was very strange. No one was talking. We immediately realized that something serious was happening—or had happened. We later found out what had happened, of course. We did not hear the first part, when the news was interrupted by Jose Antonio's statement. The radio was on the air but there were no news reports. We waited and waited, but we immediately realized that something important had happened.

The news segment continued and there was a report on the events. That is when we really learned what had happened. It was a brief news report. Later we learned about Jose Antonio's death and the events that had occurred, the loss of revolutionaries' lives that had occurred, and the cases of political opposition leaders who had been assassinated that same day. It was a tremendous moment for us. It affected us greatly. We were then 12 men. That was the size of our operational forces—12 men. We sadly continued our march to the west afterwards. We were going to meet with our comrades, which we did several days later.

We knew Jose Antonio very well because he was a happy young man who was very affectionate with everyone. He was modest, very humble. We affectionately called him Little Apple. His skin was pink and the students affectionately gave him that name. We knew him from way back, before the 10 March coup d'etat. We had befriended him because, as a matter of fact, he was everyone's friend. He was nice and honest. He was a student like all of you, but he still was not a student leader. He became a great and important leader of the FEU [Federation of University Students] after 10 March

and as a result of his combative, active, and courageous attitude. This made him stand out among the other comrades.

Those were the relations we had with and those are the memories we have of Jose Antonio. He certainly stood out, and the FEU stood out in those early struggles against Batista in an university that still was not a revolutionary university. It was possibly not as revolutionary as it had been in the 1930's: the years of struggle against Machado and the early years of the struggle against Batista. It was not an imperialist...[corrects himself] anti-imperialist university. Anti-imperialist feelings had greatly declined at the university in those years. The number of communists was very small. The group of truly progressive and conscious people with ideas about socialism was very small too.

However, our students were characterized by their rebellious and struggling spirit, and they defended many causes. Even though they could not be called socialist causes, they were just causes like solidarity with Panamanian students when they were struggling for the return of their canal territory. They were always in solidarity with the Puerto Rican people's struggle, or in solidarity with democracy in Santo Domingo during Trujillo's time.

The students generally supported all those causes, and they rejected political schemes and corruption even though they had not acquired the awareness that the students had concerning their struggle in Julio Antonio Mella's time and the years when the struggle against the Machado dictatorship began. However, this marked a new chapter in our country's history. Generally speaking, the workers' and the peasants' children could not go to university. The number of students was very small. Junior colleges were usually found in the provincial capitals. Can you imagine what chance the son of a sugar-mill worker or a farm worker or a peasant had of going to high school or junior college, not to mention university? They had no resources for the trip, books, or registration fees. They barely managed to complete sixth grade. Very few completed sixth grade, particularly in the countryside. Very few completed third or fourth grade. The vast majority of the children had to drop out of school after first, second, or third grade—if they ever went to school. Elementary education barely included 50 percent of our population, so access to universities was achieved by youths who generally came from the middle class or the lower middle class. There was no social status for the workers or peasants.

There was also much anticommunism and McCarthyism at the time. An incessant campaign was launched in all the media—press, television, radio, all the magazines, all the newspapers, all the books. That was the daily dose of venom. The period I am talking about is the one which corresponds to the end of World War II and the beginning of the cold war. [Unidentified man shouts: "That is why we want socialism!"; crowd chants: "Socialism, socialism, socialism!"] Given that situation, the revolutionaries who were aware of the concept of society and life were very few. Traditionally, the students from colonial times...[changes thought] You may recall the traumatic episode about the execution of the medical students, probably with false charges.

According to history, the sad part of that story is that they had not even carried out the action, which was called the pro... [unidentified speaker interrupts, saying: "Profanation"] the profanation of a reactionary and colonialist journalist's tomb. However, the charges were made and their execution was carried out. This was back in the first years. I believe it was in 1961. The first war of independence in our country had barely begun three years before. That tradition always remained, but the 10 March military coup created the conditions that would lead to a deep social revolution for the first time in our country's history.

University students were put to a difficult test and this exerted a tremendous influence on them. The struggle began like our struggle began, except it began a few years earlier, simply as a result of the students' rebellion and protests against injustices, corruption, privileges, etc. We did not have a political theory when we began. Perhaps the most extraordinary thing about those masses of students which fought courageously against the Batista tyranny was their extraordinary merits. They began the struggle for the reasons we have explained even though they had yet to develop a conscience. They continued onward for approximately seven years and led great clashes on the streets against the police and against firemen. They carried out heroic feats like the one on 13 March. They organized guerrilla struggle activities in the mountains. And they participated in the struggle according to the measure of their strength and possibilities, until 1 January. The most admirable thing about that generation of students is that a vast majority of them came from middle class and lower middle class families, yet they continued with the revolution and they continued with socialism.

A foreign visitor may find it strange to see this type of relationship between the revolution and the students. The visitor most probably knows nothing about the seed of our student masses of today. It was planted many years ago, during the early years of the revolution when there was a close relationship between the revolution and the students. It was as close as the one that existed between the revolution and the working class, as close as the relationship between the revolution and the peasants, the revolution and women, the revolution and the people.

The fact is we have done the work of the revolution together. It is the common work of all. What the universities are today—we cannot talk about the university but about many universities—is largely the fruit of the work of that generation, of the struggle that Jose Antonio Echeverria began together with other comrades.

We can refer today to hundreds of thousands of students. Regular students total well over 100,000. They are approximately 120,000 - 130,000. Together with those in other areas of higher studies, they reach the huge total of 300,000. There are approximately 300,000 students at the higher level. All this is the fruit of a great struggle, of much work, of a great effort of many years that began with the revolution.

It began with social justice. It began with the creation of opportunities for all children and all young people of this country. It began with the campaign against illiteracy, for which tens of thousands of adolescents and youths at the preuniversity level mobilized. From the very beginning there was always a strong and immediate response from the students. This happened for the first time in our country's history, too. Maybe only a few countries in the world have throughout their history given such responses to the noble aspirations, lofty feelings, energy, and wishes of the youthful, student masses.

The student masses it are themselves a work of the revolution because, out of 15,000 students, only a few attended classes regularly. The revolution produced a mass of 30,000, a mass of 60,000, a mass of 100,000, a mass of 200,000, a mass of 300,000 students. These huge masses were created with the revolution and with socialism. Just as huge are the masses of midlevel students. Just as huge are the masses of secondary school students, of technological school students, of trade school students, etc. Such are the masses of children who make up the primary education system.

The students joined the people's militia the first year. The militias were not called Territorial Troops Militia then. Thousands upon thousands joined the militias. They were not numerous at the beginning because even those graduating from the preuniversity level were insufficient to fill our universities. They enrolled in the militias and the Armed Forces by the thousands. Many times, whole contingents of university graduates were used to form the units of antiaircraft rocketry and other weapons requiring qualified personnel.

During that era, each time a (?batch) of preuniversity students graduated, they entered the university headlong, even though some of them would have liked to study something else, or to be a teacher, or a member of the Armed Forces, as I said. However, all of them participated from the very beginning in the country's defense.

This history, the fruits pointed out in the words repeated here, and that past effort involve a whole tradition. A very close relationship has always existed between the students and the revolution and the leadership of the revolution, and also between the students and the party, without a single crack throughout these more than 30 years. Things are different now. There are now huge masses that are the fruit of all of these years of struggle. There is a very profound awareness today. The aim is not to become a revolutionary simply out of youthful enthusiasm, out of love of liberty, or out of a rebellious spirit. It is much more significant, deep, and strong to become a revolutionary out of a profound conviction, out of a fully developed conscience that allows us to see and distinguish and analyze and evaluate society and world problems.

In this struggle we have been the vanguard and the standard-bearers. Our laborers, peasants, and students, who are aware of the great historic task of having to defend this first trench of socialism in the Western Hemisphere, which is 90 miles from the United States, have fulfilled this honorable role for more than 30 years. They have built socialism and harvested its fruits for 30 years. You cannot deny that we have fulfilled our revolutionary duty for 30 years, that we have fulfilled our internationalist duties for 30 years, that we have defended socialism for 30 years. The slogan—fatherland or death—was already applicable on the second year of the revolution because we had to shout it from the very beginning. From the very beginning we were threatened, from the very beginning rebels were promoted in the Cuban mountains and such groups existed in all provinces, from the very beginning there were plans of aggression, and from the very beginning there were threats of invasion, which at a given moment nearly provoked a nuclear war.

This gives us an idea of how long the struggle of the peoples can last—the struggle of our people to achieve their independence and liberty against mighty foreign powers. This struggle for liberty was first waged against the might of one of the great military powers of the time; namely, Spain, and then against the might of the United States, whose ambition has always been to seize Cuba.

The United States had hoped to seize Cuba as it had seized Puerto Rico. It had hoped to seize Cuba as one picks a ripe fruit and as it did through the neocolonial republic—by exploiting natural resources, because all large industries and services were owned by Yankee concerns. And although we had this beautiful flag, a coat of arms, and our national anthem, we were never really independent until 1 January 1959. [applause]

As I recall listening to Jose Antonio speaking 33 years ago, I think that today we are involved in the same struggle, but this struggle is even more difficult. I think that the greatest struggle in our country's history—which began with our struggle against Spain, continued with our attempts to prevent our annexation by the United States, continued with our struggle against pro-Yankee neocolonialist governments, and continued with our struggle against Batista—is today, when we are facing the empire, the earth's most powerful country in economic and military terms. We are facing an arrogant and overconfident imperialism that is more arrogant and overconfident than ever, an imperialism that has threatened us and is threatening us today with special boldness

out of the belief that the collapse of socialism, which has worried them so much for decades, has arrived.

They believe that the time to get back at the revolution has arrived. They are euphoric. Perhaps they imagine [20-second break in reception] ...the student leadership's plenary meeting and the people's activities and struggle. If they saw that—and with as many satellites as they have, I cannot understand why they cannot see or understand anything—they would realize that things are simply different over here. [applause]

They should realize—and they do realize this in general terms—that an aggression against our country would exact an enormous price from them. They realize it and have admitted it. They have even said that the cost would be high. They are hoping that the process will weaken to make their plan easier to fulfill. They are hoping to divide the people to make their task easier.

They are hoping to isolate us. They have said that the empire has only one enemy today. Against whom are they aiming all their attacks and efforts? Against Cuba. They are aiming all their arsenal of resources and propapaganda against nothing else but Cuba. They believe that they will demoralize us or weaken our combative spirit with that. They believe that the developments, on which we have commented on other occasions, will create an unbearable economic crisis.

They realize that the revolution is strong and enjoys popular support. However, they are underestimating our people and our nation. They have no reason to do that, because when our nation was nonexistent, when our nation was being born during the heroic struggle that lasted 10 years, it wrote an unprecedented page in our history and struggled amid the most difficult conditions. Even when the nation was a small part of society; when the officials, soldiers, foreigners and their relatives, and many still-confused people were a majority over that segment of Cuban society during the second half of the past century; the nation was built by that handful of patriots who were able to fight for 10 years under an absolute blockade.

It was very difficult to receive a ship with weapons and ammunition under such conditions. Cubans virtually fought with the weapons and ammunition seized from the enemy in combat or with machetes, those simple work tools. Armed with courage, the Cubans and those teams of fighters composed of slaves, former slaves, descendents of slaves, very humble peasants, and mestizos, showed an unequaled capacity for fighting.

Therefore, they have no historical reason to underestimate us because this was repeated throughout the past during the second war of independence, throughout our history, and throughout our own struggles that repeated our history. This has been demostrated these 30 years because we have faced 30 years of hostilities, blockades, and threats. We have been threatened for a long time now. One president after another has threatened us. We were threatened during both Reagan administrations. We organized and prepared ourselves to defend the revolution with our own effort, blood, and skin.

Imperialism has no reason based on our past history to underestimate our people. During a recent women's congress I said that this is a special time, the most special time in our history.

If Jose Antonio and his fellow students, the weaponless students of that era, had to confront their pursuers, the police, the forces that served imperialism which repressed our people and that generation of students, the future of our current population—which has almost doubled since that era—is truly unparalleled and unprecedented. An honor that none of us ever imagined has befallen our current population—we are confronting the empire, fiercely defending our independence, the flag of the revolution, and the flag of socialism. [applause]

This is an exceptional hour of struggle and pledges for all of us, and a time of heavy work for all of us.

Tomorrow I must make a trip. I know the general public does not like me to travel, but it is my duty to do so. We have to go to Brazil to attend the change of government and we have to go tomorrow. Sometimes I make trips more or less discreetly to not facilitate the enemy's work. We must not facilitate the empire's efforts to isolate us.

Many Latin American leaders have requested meetings and interviews with me. There is even a great deal of concern over Cuba among political leaders of good faith because they are aware of the imperialists' aggressiveness, because of the recent experience in Panama, because they know about the Yankees' triumphalist spirit, and because they are aware of the possible economic difficulties we may have to face. I must talk to them, and not only talk, but develop Cuba's economic and political relations with different Latin American countries.

Many leaders will be gathering in Brazil, the largest country in Latin America, with a population of almost 150 million inhabitants, an area of almost 8 million square km, and huge resources. It is a country that has developed diplomatic relations with Cuba which have gone extremely well, and our economic relations are developing and broadening. The volume of products we purchase from Brazil is increasingly greater, and the value of the Cuban products Brazil purchases is constantly increasing. Cuba is making rapid progress in new areas and, of course, its economic importance is considerable. Even more important at this time, however, is the development of Cuba's economic relations with Brazil. More important than ever before is the Latin American people's struggle against common problems such as the debt, unequal exchange—the sacking of which we are victims—the flight of capital, and the draining of financial resources which this impoverished hemisphere must send to the developed countries. Tens of thousands of millions of dollars yearly. Our countries need these resources to develop, but they are victims of systematic prospecting.

Of course, these countries have widely differing political ideologies. The Latin American countries are not socialist countries, but they are our neighbors and we share the same culture and language, similar histories, and similar suffering as exploited nations. Within these countries, of course, there are huge social differences and the burden of suffering is not equally distributed.

But, beginning with these common interests, there is a broad field with which to work, independent of political ideologies. I believe this trip has political importance. This trip also has moral importance. We must show the imperialists we have no fear. We have to show the imperialist we fear no risks. It has been proven that people have great admiration for Cuba. It has been shown that the masses have affection toward Cuba as a rule and as a principle. This was shown not long ago during the trip to Venezuela—a place where imperialist propaganda struck hard for a very, very long time through the use of reporters, intellectuals, and students. But the people were very much above it all. There was a downpour of propaganda that lasted entire decades. Direct contact with the people is necessary, and if not directly with the masses, through the press, radio, and television. We must clearly show the empire everyone's attitude, especially everyone's combative attitude. [applause]

There is much confusion in the world today. Some even express their condolences to us. They want to accompany us during these hard times, and some say so in good faith. I already know in my heart that advice is something we shall be receiving plenty of. The people I speak to are people who know how to be respectful, leaders who act in good faith. Of course, it is one thing to have a normal situation in a country and something else to have to go through a revolutionary period. There is a difference between the men who receive their education normally and those of us who have received our education through a revolutionary process. We know very well what a revolution is. It is not just anything that may be termed a revolution. [applause] We know what a revolution is and what the revolution's laws are like; we know what counterrevolutions are like and the laws that govern counterrevolutions, when in fact there have been revolutions and counterrevolutions.

Because of the mistakes committed years after the French Revolution, a counterrevolutionary wave came. The Bolshevik Revolution was much the same, and others in other countries where counterrevolutions did not get under way but rather, a great counterrevolutionary wave began. After fascism, after the war that fascism began, when at last victory was attained and the people hoped to live in peace, then came the cold war. Right now we are witnessing a great counterrevolutionary wave. This wave worries many people a great deal. The main worry of many Latin American leaders is what would happen to Latin America if this trench was to fall. There has not been a better business deal in all of Latin America's history than the Cuban revolution. The rest of the Latin American people won the lottery—once a popular saying, because we no longer have a lottery—without even buying a ticket. They did not even have to buy a ticket and still managed to win the first prize. What was the first prize? Our U.S. sugar quota of several million tons—a market that had grown over many years—was distributed among the Latin American countries. After the Cuban revolution and following the Bay of Pigs mercenary invasion that was defeated by our people, the Alliance for Progress emerged, which meant billions. Beginning with the Cuban revolution, the imperialists who had looked down on the Latin American people started to take them more into account, regarding them with a little more consideration and respect.

The independence of the Latin American people and of politicians grew after the Cuban revolution. Those people know and the politicians—except for the most recalcitrant reactionaries—know from instinct that if this trench fell, that if this trench fell, the independence of the remaining Latin American nations would be reduced practically to nil. The United States would be issuing orders in Washington. Even second-level officials would be issuing orders and nothing but orders. Anyone who is familiar with imperialist arrogance, anyone familiar with the U.S. scorn for our people, knows what it would mean for the rest of the Latin American people if the United States was able to crush the Cuban revolution.

Latin Americans would not be treated as political leaders, presidents, or heads of government. They would be treated like mayors, but with less respect than the U.S. Presidency shows toward a U.S. mayor. It would treat the Latin American political leaders with less respect than it shows for its own mayors and would give them more orders from Washington than it gives to its own mayors. This is felt instinctively or consciously by many people in Latin America. Of course, the advice they [the people in Latin America] will give us is that we must behave well, that we must play the role of good children, that we must make concessions. They think—out of good faith—that revolutions are saved by making concessions to the enemy. No revolution that makes concessions will ever be saved. Anywhere! [applause] Just see how fast the parties that make concessions to the imperialist enemy crumble. Whoever makes concessions to the imperialists is not a revolutionary. [applause]

That is the road to undoing because, I say this again, the revolution has its laws and the counterrevolution has its own laws. The history of this country shows that the revolution was possible, that the revolution has continued, and that the revolution will be capable of defending itself because it has never made a single concession to the enemy. [applause]

[Text] We know how to defend revolutions, and we know who defends them. We know the psychology of the defenders of revolutions, and we know very well that only the courage, firmness, and the most strict adhesion and loyalty to principles make revolutions capable of defending themselves. [applause] Why do we admire

Maceo? Because of his extraordinary firmness, the honorable defense of his principles, and his intransigence. I cannot blame others for ignoring the history of our country, but we know the history of our country and we had the privilege of receiving that legacy from our founding fathers—Maceo and Marti. Marti was the man who most extolled that extraordinary gesture of Baragua. Examples like this have seldom been seen in our history.

That is why I ask you, students, comrades in arms, dear and inseparable comrades of our workers and peasants: What should we tell those who ask us to make concessions? [crowd shouts: "No!"] Never. [applause] Never. [applause] That is what we should tell them. Do not fear for us, because we are capable of defending ourselves. [applause] Fear not for us, because we are capable of defending...[changes thought] of making the world tremble with our courage and heroism. [applause; indistinct chanting] Fear not for us, because we are not only capable of resisting and fighting against imperialism, but we are also capable of forcing it, sooner or later, to abandon our sacred land. [applause; [crowd chants: "We are born to win and not to be defeated!"] Do not fear for us, because we are not only capable of defending ourselves, we are also capable of winning. [applause]

That is how we are preparing ourselves. Felipe asked reporters who published what occurred here...[changes thought] I do not know if they will even be able to. First, to be frank, I do not know if they wish to. I admit that some may want to do it, or may want to be objective. Second, I do not know if they can be objective. Third, I do not know what opportunity they will have to be objective. There are some who even come here to get some basic information, to gather information so they will be able to write against the revolution, but we can always harbor the hope that there will be honest people in the world.

Anyway, if they write about it, that is positive. They will be doing their fellow citizens a favor. They can help save some of the lives...[corrects himself] a sizable number of the lives that would be lost in any adventure against Cuba. [applause] They will be rendering a service to their own people. They should know about this. You are not a handful of enthusiastic, impulsive youths. They must know that you are all organized, that you are all prepared, and that 100,000 students represent 100,000 soldiers defending the revolution, weapons in hand—100,000 soldiers. [applause] I am talking about regular students, men and women, healthy and strong, who are healthier and stronger than they ever have been in our country's history.

They must defend this...[corrects himself] They must know this, just as they must know [Castro chuckles] that things are now different here, that revolutions did not occur here by mere chance, and that no one waged them for us, no one gave them to us, and no one exported them. [applause] We waged them ourselves. Just like fathers create their children...[interrupted by indistinct chanting and applause] ...no one can take them away from us either. [applause] It is a legitimate work of the revolution and the people will know how to defend it, just as parents defend their children like fiends. [applause]

We know that this will not be carried out without a struggle. We know the enemy's plans, and we know its friends here—those whom they approach, those whom they address, those whom they ask. We even know about those who harbor illusions. There are some who harbor illusions. [laughter] They believe the socialist constitution can be dismantled, that the revolution can be dismantled, that everything can be dismantled in a matter of hours or days. There are some of those hiding around. The time to unmask them will come. The time will come for those who think: Others—meaning others who did not have what we have going on here—have fallen like a house of cards. They believe that this is also a house of cards, that it was built with cards, and that a small wind will destroy it just like that. [crowd laughs and applauds]

We are prepared for the entire struggle, inside and outside the country. They are working on our weak points. There are sly individuals in certain institutions, but not in the state institutions. I do not want to advance any information on this. Let us wait. They have their plans. Once in a while they show the hairy ear [laughter] of the counterrevolution.

The empire has increased its propaganda. According to the news, they are again ready to begin the transmission of a television station that, through triple infamy we could say, they intend to call TV Marti.

They cannot even imagine how much they offend the hearts and feelings of our people. They know it violates international law. They know it violates the sovereignty of our country. Rumors are circulating that perhaps on 18 March, perhaps on 16 or 17 March, they will try to begin broadcasting. They might even try to take advantage of my absence to begin their transmissions. However, what we want to show [applause; crowd chants slogans] is that this is not a matter of men. This is not a matter of individuals. This is a matter of ideas. This is a matter of convictions, values, and people. No one here is so crazy as to imagine, even for a second, that he is going to be eternal or that he can be eternal. There is someone here who is eternal and immortal—the people. [applause] The people are eternal. [applause] Only ideas, the ideals of our fatherland are immortal and eternal. If they change, it is to improve. If they change, it is to become more beautiful and profound. If they change, it is to shift toward greater and more noble human ambition. No one....[changes thought] We must be very clear about this idea. Men play their role because they have experience. Men have a role because of that and nothing else. A leader is nothing without the people. [applause] And it is good for the imperialists to know this. [crowd chants: "Fidel, my friend, the people are with you!"]

The imperialists have blamed me many times for the people's fighting spirit and their capacity to resist.

I am sorry to disappoint them or tell them they are going to be very disappointed, judging by the estimates they make considering age, health, and years. But we revolutionaries do not see the revolution's task as personal business or as a personal chore. We feel like soldiers of the revolution, like any of you. Perhaps they imagine that personal ambitions make us revolutionaries stay in our trench. Alas, if this were the only problem. However, there are other problems, because revolutionaries never give up fighting, never give up our duty, never give up the revolution. [applause] No one can say how long one may be useful; that is determined by nature and age. Tomorrow, I may not be able to jump with you while saying: He who does not jump is a Yankee; then I better start thinking of something else to do, but never stop being a revolutionary. [applause] As long as the heart beats, the brain is able to think—not just in any way, but as a soldier of the revolution—we shall be close to the revolution as long as we are able to move a finger. [applause; crowd chants]

I feel like talking about these things among you students on how we see them and what we think of them. Someone said this revolution will not collapse. Not only will it not collapse, but it is rising. It is rising! [applause] From every test, every test, we are stronger. From every test, we are more revolutionary. From every combat we are better. From these tests that history wants us to pass, a stronger and more prestigious revolution will emerge. A stronger, more invincible people will emerge—an example even more invincible than we, ourselves.

I believe it has been a privilege for those of us who were in class with you, next to you, to have received a credential to Congress, which Raul and I received today. Really a great honor. I do not have to repeat this very much for you to believe me. It is an honor greatly above any of our merits. I asked myself if there was any cause that could justify us receiving this credential? We, who left the university classrooms so many years ago to attend the university of life; everyday, at all hours; the exceptional university a revolutionary process can be, allowing us to study for so many years the revolution's experiences, and to have been able to study for so many years in a revolution.

If there is one thing one could use to try to justify this, it would be the fact that we think today the same way we thought when we were like you, when we were in the university classrooms like you. [applause] We are still the same. We still feel the same way. One can say about our ideas that they are more seasoned, and about our emotions that they bear the weight of many years spent in the revolution. We have not changed, however.

For that reason, I can accept the decision and the honor you have bestowed on me, of naming me a delegate. It is a great honor to me. I will be there, as I have been in all congresses. However, I will be in this one more enthusiastically than I have been in others, in tune with the times, in tune with the times, as befits your attitude at this difficult time. You are giving a tremendous lesson to the imperialists. You are telling them: Forget about attacking Cuba [desmayen eso]. [laughter in crowd; applause] [words indistinct]

At a time when the imperialists are dreaming of opening cracks, and when they are dreaming of dividing the people, how bitter, how hard, how sad, how traumatic your attitude must be to them! What an example! What a lesson! I assure you that you are waging the first battles, that you are winning the first battles, to the same degree that you are shattering the imperialists' illusions and to the same degree that you are providing those shows of unity and adherence to socialist ideas and to the objectives of the revolution.

I do not have much more to add, except for some news. Many comrades would have liked to accompany me on this trip. However, I have told all of them to stay at their posts. That is what is important. We have chosen a small delegation. There is always an official delegation, but we do not set the number. It is determined by the hosts. Thus, the official delegation will include Comrade Lazo, the new eastern titan, [applause] and Comrade Escalona, president of the National Assembly of the People's Government. [applause]

The delegation includes other comrades whose cooperation is necessary. I have said that I want to take some symbols of the revolution and of the work of the revolution. I especially invited nine comrades. We will be spending the same amount of fuel in the same plane, anyway. [laughter] In addition, we can share the food. There is so much work to do on such occasions that one does not have time to eat or sleep. That is the way it is.

However, I wanted to invite a worker who has responsibilities and is a symbol of our process of rectifications. I invited Comrade Palmero, chief of the Blas Roca Contingent. [applause] I wanted to invite a young—a very young— man who did not have as many responsibilities as Robaina [head of Union of Young Communists]. [shouts] No, Robaina will not be going. [shouts] How do you know that? [applause, shouts] I invited Felipe [Felipe Perez Roque, vice president of the University Student Federation National Council] to represent you. [applause]

I invited Felipe to represent you. [applause] I wanted to take two scientists, so I invited two comrades who headed the team that discovered the antimeningococcus vaccine. [applause] It is a vaccine that is being used in Brazil. These comrades are comrade Conchita and Comrade Sierra. [applause]

I also wanted to take two representatives of our intellectuals. I invited Comrade Abel Prieto, president of the National Union of Cuban Writers and Artists. [applause] I invited the president of an institution with great international prestige, that is, the House of the Americas.

[applause] He is—I usually link him with Don Quixote de la Mancha because of his looks—Comrade Retamar [Roberto Fernandez]. [applause] I am already taking six. I invited two athletes. One of them jumps higher than you do. [applause] He is Comrade Sotomayor. I am inviting a comrade who can get here from the stairs very fast. She is my namesake Ana Fidelia. [laughter, applause]

However, I also said, this group is not complete yet. Something is lacking here. I do not know if you will guess. The group needed something that would symbolize this moment, the spirit of our people at this moment, that would symbolize our people's courage and heroism. [crowd shouts: "The international volunteers!"]

No, I mean this moment, right now. Something more exact, the international volunteers have represented our people and will always represent them. [crowd shouts]

I can see you are guessing. I mean the captain of the ship, the Hermann. [applause] And thus, without saying anything, they are the symbols of the work of the revolution. They are not all of the symbols, but a few of them. They will be able to talk there. Reporters can ask them questions. These comrades will be able to speak there. The scientists can give lectures. Palmero can explain what the contingents are. Felipe can explain why students are so revolutionary in this country. [applause] In sum, I will feel very good accompanied by these symbols.

However, I can also tell you that the other day I said a word when I was talking to some students. I cannot remember what I was talking about and Felipe said you are in our hearts. I told him: It is very difficult to be in your hearts. I did not mean to say that it was difficult to be in the hearts of people so noble, patriotic, and revolutionary. I meant to say that it is difficult to be in your hearts because it is a great commitment. One feels obliged to give everything to the end. Now, someone [words indistinct] I am accompanied by your hearts. I am accompanied by the hearts of our students, [applause] workers, peasants, international fighters, soldiers, officers, and party militants. That which one always carries—a tremendous and insurmountable force—that which one feels: that one is not the person traveling, but he who represents something, he who represents you. That gives us energy. It gives us strength, permanent enthusiasm, and encouragement. It makes us work days and nights without any rest when we have to fulfill a mission of this type which, on this ocassion, better accompanied than ever, we are sure we will fulfill better than ever. We will reach the ears of friends and foes to tell them: Socialism or death! Fatherland or death, we will win! [applause]

I forgot to tell the newsmen something about what Felipe mentioned. Perhaps there will be some fools who will say: We saw the oppressed masses. [laughter] You are the masses oppressed by the magnitude of this rally. [applause]

Havana Notes New Presidential Powers in USSR

FL1303213590 Havana Radio Reloj Network in Spanish 2043 GMT 13 Mar 90

[Text] Soviet leader Mikhail Gorbachev said today that the presidential powers approved by the Congress of Deputies should help develop and transform society in the interests of all its peoples. Speaking moments before that legislative body adopted a law on the presidential system in the USSR, Gorbachev said that the decision will favor the prosperity of the multinational state. Considered to be the most logical candidate to the post of president with expanded powers, based on a majority decision, the Soviet leader said that this process is a democratic step despite accusations from some who say that he is trying to turn it into a mechanism of one-person authority.

The new law says the president should be elected by the entire population, but in view of the urgent need to have the president installed, this right will fall upon the third congress of the people's deputies, which began meeting yesterday in Moscow.

'Progressive World' Concerned About USSR

FL1303173090 Havana Radio Rebelde Network in Spanish 1255 GMT 13 Mar 90

[Commentary by Rafael Berastegui: "Our Opinion"]

[Text] The special meeting of the USSR's Congress of the People's Deputies, which is expected to create a Soviet Union presidency with broad powers, will study today in Moscow the candidacies for the post: that of Mikhail Gorbachev; of Nikolay Ryzhkov, current chief of the Soviet Government; and of Internal Affairs Minister Vadim Bakatin. Ryzhkov and Bakatin's candidacies were proposed by the deputies of the group called Soyu, which means unity. The group's aim is to maintain the USSR's territorial integrity under a federation with renovated structures.

The subject of secession has dominated the congress after independence was unilaterally announced on 11 March by the former Lithuanian Soviet Socialist Republic. There are significant forces in Latvia, Estonia, Moldavia, Georgia, Azerbaijan, and the Ukraine—with a different pace and emphasis—that are inclined to follow Lithuania's steps .

Marx and Engels did not leave fundamental texts on the national matter. They mentioned some ideas in their analyses on multiple nationality situations and liberation movements. In the 1914 article "Positions of Principles," Lenin deals with the right of nations to self-determination, and in a letter written in 1922 deals with the nationalities issue. For Germany's Karl Kautsky, a nation is a community of languages. For the Austrian Marxist, Otto Bauer, who dealt with the matter on 1907,

a nation is a unity of destiny, a set of changing historical-cultural elements. The national phenomenon was introduced within the framework of the most complex problems of the struggle of the classes but Bauer's analysis suffered from psychological deformations.

Georgian Josef Dzhugashvili Stalin attempted to correct those deformations in 1913 with the pamphlet "Marxism and the National Problem" that marked an era. Nevertheless, Stalin began with a complete and closed definition of the nation concept at the margin of discussions, information, and references to concrete situations. There was a need to reorganize the revolutionary party in a Russia where there were numerous nationalities and cultural diversity, to prevent the division of the political vanguard. Stalin's pamphlet satisfied these needs although he employed simplifications such as favoring the principle of territoriality and automatically equated the right to self-determination and the solution of the national matter to access to democracy. He even asserted that the national problem in Russia was not a vital one.

A week after the triumph of the October Revolution, the Soviet Government approved its historic "Declaration of the Rights of the People's of Russia" which proclaimed equality and sovereignty of the peoples of Russia, the right of self-determination, and even the separation and creation of an independent state. The urgent need that came later of defending the revolution led the young state to situations such as the military intervention in Georgia in February 1921. This was done to accelerate the triumph of a revolutionary insurgency there. It was later shown that this was not understood and supported by the population. It generated clashes with a population that had memories of the czarist oppression fresh in their minds.

Problems of this type, lack of experience in the beginning, insufficient cultural and political work, and perhaps lack of attention—in spite of the fact that Stalin himself warned in 1913 that the national contradictions tended to emerge in crisis—explain today's difficulties. Undoubtedly, they are complicated by the presence of clearly antisocialist groups who make the present in the Soviet Union an especially difficult time which worries the progressive world.

Miret Calls for Further Recovery of Spare Parts

FL1303141790 Havana Tele Rebelde Network in Spanish 1200 GMT 13 Mar 90

[Text] Politburo member Pedro Miret Prieto made a call to work on recovering spare parts not only in view of the forum but also keeping the special period in mind. He said this when summing up the meeting held to hand in the Pinar del Rio pledges for the national forum on spare parts, which is to be held in December. The party leader pointed out that we are gaining more and more ability to handle our problems; we have more skilled workers, and the (?ideological) level is high, but it is necessary to interpret the concept of recovery as recovering everything.

Prevention, Social Attention Meeting in Havana

FL1203224690 Havana Radio Reloj Network in Spanish 2044 GMT 12 Mar 90

[Report by Graciela Hernandez]

[Text] The adoption of a single political line in the attention to and solution of problems related to minors and youths is the central topic under analysis at the meeting of the National Prevention and Social Attention Commission in Havana.

Vilma Espin, member of the Politburo of the Communist Party of Cuba [PCC] and president of the Federation of Cuban Women, is presiding over the meeting attended by the heads of each of the provincial commissions, specialists in different branches of education and health, and PCC and government leaders.

During the meeting, Division General Pascual Rodriguez Braza, vice minister of the Interior Ministry, said that social prevention is being systematized in our National Revolutionary Police and work is being strengthened with minors who commit offenses.

While analyzing the main report, Juan Escalona, president of the National Assembly of the People's Government, stressed the importance of resolving problems without using large amounts of resources.

Havana Notes DPRK Foreign Minister's Remarks

FL1003151790 Havana Tele Rebelde Network in Spanish 1400 GMT 10 Mar 90

[Text] DPRK Foreign Minister Kim Yong-nam has said that the offensive against socialism is constantly more vile but Cuba and Korea will continue to be strongholds in both hemispheres. Kim Yong-nam, who is also a member of the Politburo of the Korean Workers Party, presided over a ceremony marking the fourth anniversary of Cuban President Fidel Castro's visit to the DPRK. The foreign minister said that Cuba and the Korean nation are heroic territories where socialism successfully advances and will be victorious without fail.

Scientific Cooperation Talks Begin With SDAR

FL1303030590 Havana Television Service in Spanish 0100 GMT 13 Mar 90

[Excerpt] The Fifth Intergovernmental Cuba-Saharan Democratic Arab Republic [SDAR] Scientific-Technical session began today in Havana. The two countries have had cooperation ties since [word indistinct], primarilyin education and public health.

The SDAR delegation is presided over by Sid Ahmed Batal, member of the Politburo of the Popular Front for the Liberation of Saguia el Hamra and Rio de Oro and public health minister. The Cuban delegation is presided over by Noemi Benitez, vice president of the State Committee for Economic Cooperation. [passage omitted]

Micons Discusses Fuel Conservation Measures

FL1003130490 Havana Radio Reloj Network in Spanish 1202 GMT 10 Mar 90

[Text] The Micons [Construction Ministry] has the appropriate conditions to make notable progress in the conservation of fuel and lubricants, and to become a school for other sectors through its model movement. This was stated by Basic Industry Minister Marcos Portal at the expanded meeting of the national leaders of the country's highest construction body where measures to reduce the consumption of these resources were announced.

This organizational technical movement was initially applied at ECOI [Engineering Projects Construction Enterprise] No. 12, which is building the Cienfuegos refinery where the consumption of fuel was reduced by 20 percent, usage of lubricants reduced by 23 percent, and 50 percent of used oil was recycled. It was announced at the meeting that this experience has been extended to other Micons enterprises and provinces with equally encouraging prospects.

Inter-Caribbean Affairs

Dominican Republic President on Banana Conflict

FL1003165890 Bridgetown CANA in English 1553 GMT 10 Mar 90

[Text] Santo Domingo, March 10, CANA—Dominican Republic President Joaquin Balaguer has underscored the need for good relations with English-speaking neighbours angry over his nation's banana exports to Europe. Balaguer said his government wanted to "keep working with them in harmony" and was trying to settle the row over the exports.

Banana-producing countries in the Caribbean Community [Caricom] by the Dominican Republic went back on a promise not to export bananas to Europe in return for their support on a Santo Domingo bid to become a beneficiary of the Lome Trade and Aid Convention linking Europe and developing countries in Africa, the Caribbean, and the Pacific. [sentence as received]

Balaguer told a news conference: "It is true that when the negotiations for the entry of the Dominican Republic into the Lome Convention (were under way), our negotiators made promises to some Caricom countries, especially St. Lucia, Guyana, etc.

"Those promises included that we would not compete with those countries in certain areas of external trade, mainly in exportation of certain products, among them bananas.

"It is true that that promise was made by the Dominican Republic businessmen but the Dominican Republic is not trying to compete with Lome Convention countries, especially those in the Caribbean area regarding bananas and sugar."

He said the Dominican Republic did not want to break the promise made to the Lome Convention countries in the Caribbean area "because we want to keep working with them in harmony and take advantage of the benefits of the Lome Convention" for entry into the European Community.

"We are trying to get an agreement with them in order to keep exporting bananas to Europe but without adversely affecting them because if they are not harmed by them and we can establish an agreement that won't harm them, I do not see why they should oppose our exportation of bananas to England," he added.

Conference To Discuss Dispute

FL1203204890 Bridgetown CANA in English 1939 GMT 12 Mar 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, March 12, CANA—An important two-day meeting that could determine future relations between the Dominican Republic [DR] and the Caribbean Community (Caricom) will be held here this weekend. The conference, which starts on Friday [16 March], has been called specifically to discuss the controversial issue of the Dominican Republic's plans to be a regular exporter of bananas to Europe.

The foreign minister of the Dominican Republic, Joaquin Ricardo, will be arriving for the two-day meeting here with representatives, including ministers, of the banana-exporting countries of Caricom—Jamaica, Belize and the Windward Islands. They maintain that the planned export of bananas by the Dominican Republic to Europe flies in the face of a pledge given by the DR last October in its bid to win Caribbean support to accede to the current fourth Lome Convention of the EEC-ACP countries.

Relations have been soured between the DR and Caricom to the point that the prime ministers of St. Lucia, Dominica and St.Vincent and the Grenadines have warned that the Dominican Republic may have jeopardised its application to join Caricom. Prime Minister John Compton of St. Lucia has gone even further by suggesting that there be no further expansion of Caricom membership to include the Dominican Republic or any other country in this hemisphere normally identified with the Latin American nations, until "we are able to strengthen our own system."

Last week President Joaquin Balaquer said that his government wants an amicable settlement to the banana row with Caricom and that the Dominican Republic would seek to arrive at an agreement under which the DR could continue exporting bananas to Europe but without adversely affecting their economic interest as covered by the Lome Convention.

The Caricom governments feel that the DR, having proven itself to be "unreliable" in honouring its own earlier commitment on banana exports, now has the

obligation to "live up to its promise" prior to its access to the Lome Convention. Compton in speaking of the implications for Caricom banana producers if the DR persisted in its plan to compete in exporting bananas to Europe, said in a recent radio interview: "The Caribbean-Latin American area relations only come into focus when it seems the Caribbean is needed for support and after that the whole thing is forgotten..." The banana controversy, he added, "is not the only area or the only time we have been used as it were for convenience and then afterwards the Latin Americans just treat us as appendages.

"In fact in the Organisation of American States a number of issues have arisen from time to time in which the Caribbean is really treated like outsiders and people who are intruders on a system that is purely Latin," Compton said.

Prime minister James mitchell of St.Vincent and the Grenadines, who was the first to fire a warning shot to the DR about jeopardising relations with Caricom, said that he would not be coming for the banana meeting. But he explained that his government's representative would be taking "a firm and principled stand" against those who wish to "somersault" on promises meant to be taken seriously.

Antigua and Barbuda

Deputy Prime Minister Calls for Economic Plan

FL1303022190 Bridgetown CANA in English 2352 GMT 12 Mar 90

[Text] St. John's, Antigua, March 12, CANA—Antigua and Barbuda's Deputy Prime Minister Lester Bird said on Monday [12 March] the country needed to formulate "serious" economic, social and enviromental plans to face the chailenges that lie ahead.

"We have to become more scientific in terms of our approach towards 1990 and beyond," Bird told Parliament while making his contribution to the 1990 budget debate. Bird, who also holds the portfolios of Tourism and Economic Development, referred to his meeting last Saturday [10 March] with U.S. Vice President Dan Quayle in which he said he requested the American government give the region a specific economic aid package for infrastrucutre development such as roads, sewage and drainage.

Bird explained that these projects are high capital cost and low revenue producing "but are absolutely essentail for us to get to the next stage of our development."

Dominican Republic

Japanese Envoy Says Credit Not Suspended

FL0903185190 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 9 Mar 90

[Text] The Japanese ambassador has denied that his country has suspended credit for production projects for the private sector. He said that the Japanese Government's decision of not awarding more credit to the Dominican Republic only applies to nonreimbursable projects.

Ambassador Katsuhiko Tsunoda spoke with journalists during the ceremony inaugurating the new San Pedro I Thermoelectric Plant constructed by the Mitsubishi firm with financing from the Japanese Government.

The diplomat said that at the conclusion of the fiscal year, which ended in February, Japan made donations to the Dominican Republic totaling $10 million. Tsunoda also said that Japan is increasing nonreimbursable cooperation with the country to help develop different sectors.

Electoral Board Rules on PRD Candidates

FL1203170190 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 12 Mar 90

[Text] The Central Electoral Board [JCE] confirmed the candidates for president, vice president, and congress of the Dominican Revolutionary Party [PRD], which is led by Jose Francisco Pena Gomez. The JCE ruling also annulled the conventions held by the PRD faction led by Jose Rafael Abinader, and the JCE has postponed a ruling on the contested municipal elective positions until it receives all the files from the municipal electoral boards. This information was reported in a JCE resolution issued last night concerning the confirmation of Jose Francisco Pena Gomez as the PRD presidential candidate.

Pena Gomez Refuses To Form Alliance With Bosch

FL1303175390 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 13 Mar 90

[Text] Dr. Jose Francisco Pena Gomez has denied that he is a political instrument for any social or economic sector, in the country, that wants him to join in with former President Juan Bosch and prevent the presidential reelection of Dr. Joaquin Balaguer. As he noted the momentum his candidacy achieved in the last few months, the presidential candidate for the Dominican Revolutionary Party, PRD, asserted that the Dominican Liberation Party, PLD, which supports the presidential hopes of Professor Juan Bosch, is a political organization with weak structure. Pena Gomez said his main goal is to

take the PRD to electoral victory in the May elections, and that for this reason he will not align himself with Bosch.

Grenada

Citizens Begin Voting as Polling Stations Open

FL1303133790 Bridgetown CANA in English 1304 GMT 13 Mar 90

[Text] St. George's, Grenada, March 13, CANA—Grenadians began voting Tuesday [13 March] under overcast skies in their second general elections since the island returned to democratic rule at the end of a failed Marxist experiment in 1983. As dawn broke intermittent showers found dozens of voters in queues outside most of the island's 190 polling stations to cast their ballots.

Voting in some polling stations in the St. George's Town constituency (held by the education minister in the outgoing administration, George Mc Guire), was delayed by more than half-an-hour. Asked by CANA what was responsible for the delay one presiding officer replied: "I cannot tell you why."

Seventy-four candidates from six parties, plus one independent, are contesting the 15 seats at stake in this election. There are 58,374 registered voters. The six parties in the race are the National Democratic Congress (NDC), the Grenada United Labour Party (GULP), the New National Party (NNP), the National Party (TNP), the Maurice Bishop Patriotic Movement (MBPM), and Good Ole Democracy (GOD). However, political observers expect the fight to be among NNP, NDC, and GULP.

Prime Minister Ben Jones' TNP is given a fighting chance in at least two constituencies—his own St. Andrew's south-west, and St. Andrew's north-west, held by minister of state for works, Alleyne Walker.

Last night, the NDC was the only party holding a major last lap public meeting, urging supporters and undecided voters to ensure victory for the three-year-old party. Outside of that event, nightfall on the island was rather quiet with most streets deserted.

80-Percent Turnout Predicted

FL1303183790 Bridgetown CANA in English 1837 GMT 13 Mar 90

[Text] St. George's, Grenada, March 13, CANA—A senior electoral official in Grenada was predicting an 80 per cent turn out of the 58,000 voters in Tuesday's [13 March] general election but said intermittent rain might have hampered voting in some constituencies.

"We have just come back from visiting a few polling stations and there was nobody there at all voting," deputy supervisor of elections, Carol Jerome, who made the forecast told CANA shortly before noon local time. She said that the intermittent showers being experienced across the island were probably to blame.

Jerome spoke of expecting a higher turnout later in the day as some business places would be giving employees the half day off. Supervisor of elections Alphonsus Redhead said there were no reports of violence at any of the 190 polling stations around the island.

Meantime, former Prime Minister Sir Eric Gairy says that based on reports coming back from the field his Labour Party is sure of winning 12 of the 15 seats in the election.

"There is no stopping me now," said Sir Eric, seeking a political comeback after being toppled from power in a 1979 leftist coup. Dressed in all white with a brown straw hat, he sat in a large black American-made car among some of his close supporters on a busy street.

Gairy said he had just visited his old St. George's south constituency which he is seeking to regain from the incumbent Phinsley St Louis of the opposition National Democratic Congress (NDC).

Sir Eric, who had cried foul in the 1984 poll which his party lost picking up only one seat, appeared confident that this elections would be free.

"I don't feel that they would attempt to rig the elections. They can't stop our victory," he boasted. Apart from Gairy's Labour Party, the others contesting are the New National Party (NNP), The National Party (TNP), the National Democratic Congress (NDC), the Maurice Bishop Patriotic Movement (MBPM), and Good Ole Democracy (GOD).

Results Reported

FL1403040390 Bridgetown CANA in English 0357 GMT 14 Mar 90

[Text] St. George's, Grenada, March 13, CANA—Following are results of Grenada's general elections, contested by The National Party (T.N.P.), the New National Party (N.N.P), the Grenada United Labour Party (G.U.L.P.), the National Democratic Congress (N.D.C.), and the Maurice Bishop Patriotic Movement (M.B.P.M.):

St. George's South East	
1. Dr.Francis Alexis (N.D.C.)	1206
2. Robert Grant (N.N.P.)	263
3. Norman de Souza (G.U.L.P.)	582
4. Joseph Charter (M.B.P.M.)	43
5. Joseph Robinson (T.N.P.)	257
St. Mark's	
1. Malcolm Antoine (N.N.P.)	574
2. Felix Alexander (T.N.P.)	247
3. George Thomas (M.B.P.M.)	118

4. Albert Forsythe (G.U.L.P.)	487
5. Henry de Allie (N.D.C.)	434
St. Andrew's North-East	
1. Dr. Lawrence Gibbs (G.U.L.P.)	822
2. Marcel Peters (N.D.C.)	576
3. Mc Donald George (N.N.P.)	413
4. Leslie Julien (M.B.P.M.)	28
5. John Renaud (T.N.P.)	499
St. Andrew's South-West	
1. Ben Jones (T.N.P.)	1432
2. Joseph Mc Guire (G.U.L.P.)	692
3. Denis Noel (N.D.C.)	619
4. Richard Lewis (N.N.P.)	160
5. George Lewis (M.B.P.M.)	62
St. David's	
1. Michael Andrew (N.D.C.)	1745
2. Joslyn Whiteman (N.N.P.)	639
3. Brian Lindsay (M.B.P.M.)	49
4. Jean Hagley (T.N.P.)	548
5. Vincent Clyne (G.U.L.P.)	1510
Carriacou and Petit Martinique	
1. Nicholas Brathwaite (N.D.C.)	1347
2. Bonfield Bristol (G.U.L.P.)	136
3. Lyle Bullen (M.B.P.M.)	33
4. Michael Caesar (T.N.P.)	455
5. Winston Fleary (N.N.P.)	35

Unofficial returns indicate that Sir Eric lost in the St. George South riding to the incumbent from the NDC, Phinsley St. Louis. The other two parties in the race were the Maurice Bishop Patriotic Movement (MBPM) and the one-man Good Ole Party (GOD).

St. John's	
1. Edzel Thomas (G.U.L.P.)	1267
2. Einstein Louison (M.B.P.M.)	220
3. Grace Duncan (N.N.P.)	997
4. Carlyle Glean (N.D.C.)	911
5. Linda Charles (T.N.P.)	181
St. Patrick's West	
1. Kenny Lalsingh (N.D.C.)	907
2. Joseph Andall (M.B.P.M.)	101
3. Dr Wellington Friday (G.U.L.P.)	665
4. Lennox Jerome (N.N.P.)	379
5. Paul Richards (T.N.P.)	407

Negotiations Begin To Form New Government

FL1403042590 Bridgetown CANA in English 0408 GMT 14 Mar 90

[By George Worme]

[Excerpt] St. George's, Grenada, March 13, CANA—Behind-the-scenes negotiations to form a new government were underway here tonight, with unofficial results showing that the National Democratic Congress (NDC) had won seven of the 15 seats in the general elections and was seeking coalition partners. NDC sources said approaches had already been made to interim Prime Minister Ben Jones, who was expected to cop the lone seat for The National Party (TNP), as well as to winning candidates in the Grenada United Labour Party (GULP). The GULP was expected to win five seats—its veteran leader Sir Eric Gairy suffering his first defeat at the polls—with the other two going to the New National Party (NNP) of former university professor Dr. Keith Mitchell. [passage omitted]

Haiti

Trouillot Installed as Provisional President

FL1303180190 Port-au-Prince Radio Nationale in French 1549 GMT 13 Mar 90

[Speech by Major General Herard Abraham, commander in chief of the Armed Forces, during the installation ceremony of new Provisional President Ertha Pascal Trouillot at the Salle des Bustes of the National Palace in Port-au-Prince—live]

[Text] Madame President; chiefs of diplomatic missions; representatives of international organizations; representatives of the consular corps; religious authorities; members of the Haitian Armed Forces [FADH] High Command; officers, noncommissioned officers, and enlisted men of the FADH; ladies and gentlemen representing all sectors of the national life; and people of Haiti:

Nearly 72 hours ago, the FADH was given the precise mission of preserving national sovereignty to create conditions propitious for the installation of a civilian provisional president. Madame President, the honest collaboration from all sectors concerned and your acceptance of the decision have permitted the FADH to honorably attain that objective within the allotted time.

As Haiti's first woman judge and the first woman president of the Republic of Haiti [applause], you more than anyone else are called on to draw from the national patrimony the resources necessary to exercise the high office to which you have just acceded. The Army is going back to... excuse me, remained in its barracks. [prolonged applause and cheering] It will remain at the service of the authorities to carry out its highest primary task, which is to guarantee the security of the lives and property of all citizens. The Army sincerely thanks its officers, noncommissioned officers, and enlisted men,

the civilian society, the churches, and the political parties, which, through their spirit of collaboration and dialogue helped the country surmount this serious crisis without endangering the national institutions. [applause] (?Thanks to) all of them and to the support from the diplomatic corps and the international organizations. Thanks to Haiti's friends the Haitian people who were able to show the world that they are capable of solving their problems, however acute, with lucidity and pragmatism. [applause]

People of Haiti, Madame President: The Assembly for Concerted Action and the Respect for the Constitution group, with the acquiescence of numerous socioprofessional and religious associations, asked the FADH high

command to take measures to install a provisional civilian president at the head of the state. As commander in chief of the Armed Forces, it is therefore my honor hereby to install citizen Ertha Pascal Trouillot [applause] ...to install citizen Ertha Pascal Trouillot as provisional president of the Republic of Haiti. [applause]

The mission entrusted to the FADH ends here; here begins your own, Madame President. [applause] Madame President, allow me in the name of the FADH high command and officers, noncommissioned officers, and enlisted men, to congratulate you most warmly and to wish you success in the service of the common Fatherland. [applause] Madame President, the FADH is at your orders. [prolonged loud applause and cheering]

Trouillot Speech

FL1303194890 Port-au-Prince Radio Nationale in French 1604 GMT 13 Mar 90

[Speech by Provisional President Ertha Pascal Trouillot during installation ceremony at the Salles des Bustes of the National Palace in Port-au-Prince on 13 March—live]

[Text] Beloved brothers and sisters: The nation has chosen me to lead its destiny for a brief period. I have accepted this difficult task in the name of the Haitian woman [applause and a burst of cheers from female voices]. For the first time in our country's history she is called on to make, in the highest of positions, the sacrifices she makes daily out of devotion, courage, and true patriotism. With the help of the Council of State, its indispensable knowledge and benevolent orientation; and with the most loyal and impeccable support of the Army, aware of its duty to ensure the public peace and the security of Haitian families [applause]; and within the sacred limits of the Constitution and the laws of the Republic; and with the guarantee—which I hereby renew—that our international agreements and commitments will be strictly respected, I hereby on this day solemnly promise, on my honor, that while I am provisional president of the Republic I will work to ensure the success of the patriotic mission that has been entrusted to me.

My essential task is to hold the reins of power during the election period that is to produce, as quickly as possible, a definitive government to lead this country [applause], a government which the Haitian people will choose freely, so that its legitimate demands can be completely satisfied. [applause]

Of course during the brief transition, I must ensure that the administration's everyday business is carried out in the most organized and efficient manner possible, without getting involved in the in-depth initiatives that are the prerogative of the nation's ultimately-reconstituted powers. It is within the framework of these main lines of actions that the nation can count on my devotion and probity—of which I am truly proud.

Brothers and sisters of Haiti: My government will be whatever you want it to be, constantly drawing inspiration from your aspirations and your (?invincible) hopes. Today I have no ambition upon entering the house of the people other than serving the people, never having had any political function other than fulfilling my civic duties and being, proudly, a Haitian woman. [applause and cheering]

Let us gather our courage about us and enact, without clashes and with confidence, this first stage in the rescue of a country that has been humiliated, plundered, and pushed to the brink of the abyss—a country which in its painful calvary reaches out desperately with bruised arms in a supreme call to all its sons and daughters, to serve the sacred legacy of our fathers in unity, fraternity, and peace. [applause]

[Trouillot switches to Creole] My brothers and sisters: You have chosen me to lead the country now. I have accepted this heavy burden on behalf of all the women of Haiti [applause] who for the first time will be marked in the annals of our country's history. You Haitian women are well aware of all the sacrifices mothers make in the home! I think that with patriotism, with love, a woman can (?conquer) everything. That is why I have gathered my strength and accepted this burden. [applause]

As the provisional president of the Republic of Haiti, with the help of the Council of State and the Army, which has already shown its patriotism and is ready to guarantee the security of all families, I guarantee that I will respect the Constitution and all agreements Haiti has signed with foreign countries. I am promising on this day to work unceasingly to bring the nation into safe harbor.

My job is to hold elections as quickly as possible, so that the Haitian people may choose a definitive government. During my brief tenure I will do everything I can to make the administration run properly. Given my devotion and honesty—of which I am proud, my Haitian brothers and sisters—this government represents aspirations and hope. I have no other ambition upon entering the house of the people, the National Palace. I have a single goal, and that is to put myself at the service of absolutely everyone. [cheers and applause] With all my strength and with all the confidence you are placing in me, I will work unceasingly in this short time to wash the besmirched face of Haiti! I am determined to uplift the image of Haiti and all Haitians. [applause]

My brothers and sisters, unite together to save the legacy of our forefathers. Thank you. [prolonged applause]

Six Council of State Members Greet New President

FL1303202890 Port-au-Prince Radio Nationale in French 1549 GMT 13 Mar 90

[Excerpts] [passage omitted] People are still shaking hands with the new president of the Republic. [passage omitted] Mrs. Ertha Pascal Trouillot, chosen provisional

president of Haiti on 12 March and just installed as chief of state, is from Gonaives, which is 152 kms northwest of the capital. She is 42 years old. [passage omitted]

[Unidentified reporter] Now the members of the Council of State are going to greet the president: Dr. Louis Roy, representative of the human rights sector [applause]; attorney Ernst Malebranche, representative of the unions [applause]; Serge Villard, representative of the private sector [applause]; engineer Lesly Voltaire, representative of the education sector [applause]; engineer Chavannes Jeune, representative of the Protestant Churches; Venel Remarais, representative of the Haitian Journalists Association [loud cheers and applause].

[Dr. Louis Roy] Madame President: We, the members already chosen and the future members of the Council of State, pay you homage, greet you, and convey to you our best wishes. This is a difficult moment for the country; however, the most difficult [word or words indistinct] is still to come. [Words indistinct] are, like us, aware that only the work of [words indistinct], of good faith and of a political will shall rescue this country from crisis, which may prove fatal if we do not all get together to [words indistinct].

There will be partners. The partners will be, first of all, the government. The government is you, Madame President, and we, the members of the Council of State, promise you our most straightforward, most sincere help. The second of the partners will be the Haitian Army. General Abraham, while handing you the [word indistinct] a moment ago, put himself at your service. The Haitian Army has made its commitment. Without order and security we will not be able to progress. We congratulate and thank Gen. Abraham for having made this commitment and for putting himself at your service. We are convinced that the Haitian Army is going to (?merit our confidence). [loud applause] [short break in reception] ...are the friendly countries—for it is difficult for us to imagine getting out of this stagnation without help from understanding, friendly countries. We are sure as soon as they see there is a political will to escape, they will not withhold their aid.

Finally there is the most important partner: the Haitian people. [loud applause] The Haitian people came out of 7 February 1986 frustrated. Today the Haitian people say: We are here. And I think that everyone understands now that the Haitian people, even if lacking a detailed knowledge of where they want to go and how to get there, have at least stated clearly what they no longer want: dictatorship—a dictatorship which we all hope, thanks to the elections your government is going to hold, with our help, is over forever for this country. And may the Haitian people [interrupted by applause] if necessary, if once again (?frustrated), uproot us and [words indistinct]. [applause]

[Reporter] That was Dr. Louis E. Roy, the representative of the human rights sector on the Council of State. [passage omitted]

Trinidad and Tobago

Former Clerk Appointed Senate President

FL1303214890 Bridgetown CANA in English 2040 GMT 13 Mar 90

[Report by Debra Ransome]

[Text] Port of Spain, Trinidad, March 13, CANA—A former clerk of the Trinidad and Tobago Senate became its president on Tuesday [13 March]. Joseph Emmanuel Carter, who describes himself as apolitical, replaces businessman Michael Williams who resigned abruptly last week.

Carter, who joined the public service in 1948 as a clerk in the colonial secretary's office, moved up the ranks to become first clerk to the Senate and then clerk of the House of Representatives from 1975 until his retirement last December. Besides being the chief presiding officer of the upper house, he will act as president of the Republic in the absence of the holder.

"While it is true that I spent considerable time in the service of parliament, ... I am fully aware that the transition from the position of clerk to the exalted office of president of the Senate will require some measure of adjustment," Carter told senators after his unopposed election.

He had been nominated by leader of government business Senator Alloy Lequay after being sworn in as a senator. Williams quit to give himself more freedom to speak out on public issues and is returning to the private sector.

"It says a lot when a man like Michael Williams runs out of patience," acting opposition leader in the Senate Keith Rowley told the chamber. Rowley praised Williams for his "public spiritedness" for "sacrificing" himself to the nation. Lequay said that Williams was always concerned about matters of national importance and often had to be caimed when he wanted to speak out.

"I have no doubt that our loss here in the Senate will be a gain to the country—now that he has regained his freedom of speech which he obviously cherishes without the limitations imposed by high office," Lequay said.

"His (Williams) fault may be that he wants to see too many wrongs put right in too short a time," Lequay said.

El Salvador

FMLN Announces Suspension of Sabotage

PA1303161390 San Salvador Radio Cadena YSU in Spanish 1410 GMT 13 Mar 90

["Official communique" issued by the General Command of the Farabundo Marti National Liberation Front, FMLN, in San Salvador on 13 March; read by FMLN Commander Jorge Shafik Handal—live]

[Text] The FMLN General Command, in response to calls made on both sides by the different social, political, and economic sectors of the country, has decided to take action of great political and social importance for El Salvador. The main reasons for these actions are the following:

1. To promote opportunities for political parties, social organizations, and other associations of the country by increasing their participation in the struggle to achieve a negotiated political solution to the conflict; by nullifying the government pretexts for preventing this participation; and by allowing the free expression of all national sectors.

2. To progress toward humanizing the conflict.

3. To increase the UN secretary general's opportunity for success in the negotiation process and to overcome the current standstill caused by the Salvadoran Government's lack of flexibility. The following actions will begin at 0000 on Friday, 16 March:

1. Total suspension of sabotage on public transportation.

2. Total suspension of sabotage on commercial establishments.

3. Total suspension of sabotage on telephone lines.

4. Total suspension of attacks on government officials and civilians who are not involved with the military or paramilitary apparatus of the Salvadoran Armed Forces.

These actions are our contribution toward peace in our country and are intended to fulfill the aspirations of our people and the different political, social, and economic sectors of El Salvador that want to achieve a negotiated political solution to the conflict that will guarantee democracy for the entire nation.

[Signed] Commander Salvador Sanchez Seren, Commander Francisco Jovel, Commander Jorge Shafik Handal, Commander Joaquin Villalobos, and Commander Eduardo Sancho. 13 March 1990

Commander Handal Comments

PA1303195190 San Salvador Radio Cadena YSU in Spanish 1414 GMT 13 Mar 90

[Interview with FMLN Commander Jorge Shafik Handal by unidentified reporter; date and place not given—recorded]

[Text] [Reporter] Does the General Command believe that we have reached the point where we can achieve total detente in the country, Commander Handal?

[Handal] That is our purpose. We believe that the process underway, thanks to the efforts of the UN secretary general, should result in the beginning of negotiations. The process has encountered a few stumbling blocks put in place by the Cristiani administration. The government has been insistent on preconditions, and the nature of the negotiations is unclear. I repeat: The difficulties involve preconditions that include suspending a large number of our military actions.

Apparently the issue is not the establishment or agreement on preconditions, because this is simply a stall tactic undertaken with the belief that the FMLN has been weakened following the events in Nicaragua. This is a miscalculation.

The Salvadoran people are entitled to have the negotiations begin. The government believes that the FMLN is weakening; delaying the start of negotiations, however, might cause an increase in the number of confrontations. Throughout these many years the FMLN has amply displayed its capacity to maintain a continued military effort. I would like to stress that the public, not only in our country but in the world at large, including important U.S. sectors such as the Congress and a number of officials within the U.S. Administration, does not believe it is possible to defeat the FMLN militarily; therefore, it is necessary to pursue the path of serious negotiations.

With these efforts we are trying to clear the path toward the beginning of negotiations. We are certain these efforts are in line with the will and desire of the vast majority in our country, and that they will contribute toward eliminating not only the preconditions sought by the government, which are a mere pretext, but also the more important issue of the state of siege, and to accept the free and democratic functioning of all organizations and bodies, the press, and all social sectors in general.

This is the atmosphere our country needs to embark on the search for a just political solution, which is what we have been struggling for throughout these many years.

[Reporter] Commander Handal, you spoke about suspending sabotage on public transportation, commercial firms, and telecommunication systems. However, has the FMLN considered the possibility of now ending hostilities or declaring a truce to meet the conditions set by President Cristiani for dialogue?

[Handal] We do not consider this appropriate. Negotiations should start; as they continue, we will study measures and move closer to a situation allowing us to take more important steps.

[Reporter] Does this mean that the FMLN has considered all possibilities up to now and, if the climate is favorable, could become a political party this year?

[Handal] This is subject to the negotiations themselves. You will recall that we have explained our position many times before: in our May 1989 proposal, in September in Mexico, and at the October meeting in San Jose, Costa Rica. You must also understand that our proposals have always been rejected. We uphold our position as stated in those previous proposals, and we are going to the negotiations with those proposals.

I would like to say the following: The government is demanding a number of things from us as a prerequisite to starting the negotiations. The government's intentions are, and this is the same position it had in San Jose, to prove that we are the only ones hurting the civilian population. The UN Commission for Human Rights has just ratified the contents of the December 1989 UN General Assembly resolution. Just a few days ago, I repeat, the UN commission ratified its position in Geneva, and the Salvadoran Government was condemned for human rights violations. The commission also commented on some aspects of our actions that we are working to correct. However, we are not the violators of human rights or the civilian population's security. The government is the biggest violator. Thus, it is very strange that the government is only demanding that we preserve the civilian population's security and is making this a precondition. Up to now, we have not placed any conditions on the government. We believe that public opinion, both domestic and foreign, will draw its own conclusions and make its demands. It would be negative for us to make any more concessions as long as we do not make true advances in negotiations, because this would encourage the Armed Forces Command and government to continue with its militarist, aggressive position.

Army Terms Act 'Encouraging'

PA1303215590 Panama City ACAN in Spanish 1850 GMT 13 Mar 90

[Text] San Salvador, 13 Mar (ACAN-EFE)—The Salvadoran Army says that the guerrillas' decision to stop sabotaging the economic infrastructure and to stop attacking civilian officials as of 16 March is "encouraging."

Colonel Mauricio Ernesto Vargas, commander of the 3d Infantry Brigade, told ACAN-EFE that "it is encouraging to receive an offer of this sort," referring to the guerrillas' announcement that they will stop perpetrating sabotage and attacking civilians to contribute toward the resumption of the dialogue and negotiations with the Salvadoran Government.

The Farabundo Marti National Liberation Front (FMLN) command has given assurances that these measures, which exclude members of the Armed Forces' military and paramilitary apparatus, are an effort to contribute toward peace in El Salvador and to facilitate the participation of a variety of sectors in efforts to resume the dialogue and negotiations.

The rebels' communique, read by Jorge Shafik Handal, one of the FMLN's five top leaders, points out that the dialogue and negotiation process stagnated because of the "inflexibility" of the government headed by Alfredo Cristiani.

Nevertheless, the FMLN "is not demanding a government counterproposal."

"We must wait until this declaration of principles becomes a concrete and effective fact, and until a concensus can be reached" said Vargas, one of the officers who served as an adviser at some of the rounds of dialogue between the right-wing government and the left-wing Salvadoran guerrillas.

Vargas emphasized that the Salvadoran Government and Armed Forces "are making an effort to achieve real peace."

"I would ask the FMLN to make these measures permanent, to definitively end the violence and terror, thereby allowing the civilian population to return to its normal productive activities and to enjoy greater stability and peace," the military chief pointed out.

According to Vargas, the FMLN proposal "is a beginning that, if it becomes a reality, would signify a start along the true path to the country's pacification. We would see that in reality, the path to peace is closer."

Colonel Francisco Elena Fuentes, commander of the 1st Infantry Brigade, briefly described the proposal as "positive."

The leading opposition parties also agree that the guerrillas' proposal is "positive," and are asking President Alfredo Cristiani to be flexible, so progress can be made in the dialogue that may lead to the end of more than 10 years of war, which has left a toll of almost 70,000 dead.

Roberto Viera, a leader of the Christian Democratic Party (PDC), the leading opposition party, said that it is the government's duty to take action that will lead to the country's democratization. It is also the government's duty to establish respect for human rights as a contribution to the dialogue.

Meanwhile, Ruben Zamora, a Salvadoran left-wing leader, said that the government "has regressed" by establishing preconditions for the resumption of negotiations, "pressured by the military and the ruling right-wing Nationalist Republican Alliance (ARENA)."

"The ball is now in the government's court, and I expect positive gestures on its part, and that it will be willing to attend a meeting whenever the United Nations calls one," Zamora said.

UN Secretary General Javier Perez de Cuellar, through his special envoy Alvaro de Soto, has been making

efforts since the beginning of the year to seat the conflicting Salvadoran sectors at a negotiating table, but so far details concerning those efforts have not been disclosed.

Army Colonel Comments

PA1303213390 San Salvador Radio Cadena YSU in Spanish 1800 GMT 13 Mar 90

[Text] Salvadoran Army Colonel Francisco Elena Fuentes said today that the FMLN decision to suspend some sabotage operations is positive.

The FMLN General Command issued a communique this morning, stating that as of 16 March, the Salvadoran guerrillas will suspend sabotage operations against the economy, as well as actions against state officials, to facilitate the beginning of negotiations with the government.

First Infantry Brigade Commander Fuentes, who this morning participated in the opening day of assessment at the University of El Salvador, said that this FMLN decision must be applauded by the Salvadoran people.

[Begin Fuentes recording] I believe that this goodwill step by the FMLN is a most suitable decision that can be applauded by the people. The government has always acted with goodwill and has sought a dialogue, peace, and democracy. It has been the FMLN which has [words indistinct]. [end recording]

The FMLN communique states that the FMLN decision is aimed at facilitating the work of the country's political parties and social organizations and at annulling the government's excuse to impede free demonstrations by sectors working in favor of a political solution to the war.

Meanwhile, Col. Elena Fuentes said that the lifting of the curfew will depend on the situation in the country.

[Begin recording] [Fuentes] There is no longer any reason for maintaining it. The reason for the curfew is that they had been attacking the civilian population.

[Unidentified reporter] [Words indistinct]

[Fuentes] The restructuring of the Armed Forces is not something that can be done overnight. Our organization is based on laws and regulations. No person is going to come and tell us how to restructure it. We have a rank structure and we have to be in the Armed Forces for a certain period of time before retiring.

[Reporter] Some Army members have said they are in favor of supporting the dialogue process, but what does the Army think about the negotiations?

[Fuentes] I am not an Army spokesman. You will have to ask that question to members of the Army High Command. They are the ones in charge of making statements in this regard. [end recording]

Guatemala

President Cerezo Implicated in Cover Up

PA1303201990 Guatemala City Radio Fabulosa in Spanish 1800 GMT 13 Mar 90

[Text] A few minutes ago, Jose Fernando Minero Navas, a former employee of the Administrative Control Department who is charged with having links to drug traffickers, said during a public hearing at the 5th Circuit Court that in this case, serious crimes have been committed by Bank of Guatemala authorities and officials of the G-2 sections of the Army and the National Police.

Minero Navas said: I know of very serious crimes but have provided very few details about them during this legal process against me. Minero Navas did not name any names, but said that while working in the Administrative Control Department in December of 1988, he ordered the arrest of several employees of the G-2 of the Army and the police, and that gold from the vaults of the Bank of Guatemala was found in their possession.

Minero Navas said that when the G-2 and police members were arrested and it was determined that the gold in their possession came from the Bank of Guatemala, he received instructions from President Vinicio Cerezo ordering him to remain silent and cover up the incident in order not to cause the government any problems.

At the conclusion of this morning's public hearing, Minero Navas publicly requested the protection of the U.S. Narcotics Department because his relatives have been threatened with death. Minero Navas also said that he will request that U.S. Ambassador Thomas Strook come to court to make a statement regarding drug trafficking in Guatemala.

Nicaragua

Chamorro Office Communique on Aid, Sanctions

PA1303191190 Managua Radio Corporacion in Spanish 1200 GMT 13 Mar 90

[Communique issued by the Press and Information Office of President-elect Violeta Barrios de Chamorro in Managua on 12 March]

[Text] The Press and Information Office of President-elect Violeta Barrios de Chamorro reports the following to the Nicaraguan people and the international community:

Today, 12 March, from the Houston, Texas, hospital where she is undergoing a checkup on her injured leg, the president-elect had an important 25-minute telephone conversation with U.S. President George Bush.

With her well-known patriotic spirit and skills as a politician, Mrs. Violeta Barrios de Chamorro expressed to President Bush her intention to immediately start solving Nicaragua's most urgent problems. She

requested that the U.S. Government make a positive contribution toward such efforts. As a result of the telephone conversation, President Bush promised to lift the U.S. economic embargo imposed on Nicaragua. This decision will be officially announced today, 13 March, [date as heard] sometime this morning. President Bush also promised to try to obtain an urgent $500 million in aid for Nicaragua, of which $300 million would be used in the short term to address Nicaragua's needs during the first months of the new democratic government. The remaining sum should be delivered in the following months.

Also, in response to the concerns expressed by Mrs. Violeta Barrios de Chamorro regarding the immediate demobilization of the Nicaraguan Resistance to clear the path toward the total pacification of Nicaragua, U.S. President George Bush said his government will immediately encourge such demobilization. The U.S. Government will urge the rebels to fulfill the Central American agreements and to help in the peaceful and orderly transition of power in Nicaragua to attain the peace and democratization that is desired by our people and is in the interest of the international democratic community.
Managua, 12 March 1990
Press and Information Office of Nicaraguan President-elect Violeta Barrios de Chamorro.

Government Supports Lifting of Trade Embargo

PA1403132190 Panama City ACAN in Spanish 1244 GMT 14 Mar 90

[Text] Managua, 14 Mar (ACAN-EFE)—The Sandinist Government on 13 March officially expressed support for Washington's decision to lift the trade embargo against Nicaragua and to immediately make economic aid available to the new administration, which will be headed by Violeta Chamorro.

The Foreign Ministry issued a communique in which the Sandinist Government, which lost the elections on 25 February, expressed support for U.S. President George Bush's announcement that he will ask Congress for $300 million for Nicaragua.

The Sandinist Government is to turn over power to the National Opposition Union on 25 April.

The trade embargo was imposed on Nicaragua by then-President Ronald Reagan in May 1985. It included a ban on air, land, and sea navigation and trade between the two countries.

In addition, the Foreign Ministry communique expresses the Managua government's support for Bush's request that the U.S. Congress approve the granting of economic assistance to Nicaragua.

The Sandinist authorities also invite the U.S. Government to "immediately send an economic delegation to make an on-site study of Nicaragua's economic situation, so the Nicaraguan people can receive the aid as soon as possible."

Last May, the Bush administration extended the trade embargo imposed by Reagan to unseat the Sandinist regime, which came to power in July 1979, after the triumph of the revolution.

Ortega Comments

PY1303182090 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 13 Mar 90

[Interview with President Daniel Ortega by unidentified reporter in Santiago, Chile, on 13 March—recorded]

[Text] President Daniel Ortega has expressed satisfaction with the lifting of U.S. economic sanctions against his country.

[Ortega] I spoke about this with Vice President Quayle. I have been demanding that sanctions be lifted for quite some time. I believe that this measure will help all Nicaraguans; the measure had been hurting all Nicaraguans, not just the Sandinists.

[Reporter] Do you expect relations with the United States to improve?

[Ortega] I believe that this is a great opportunity for the United States to begin changing its policy toward Nicaragua and the revolutionary process in Nicaragua, which is continuing and is gaining strength with democracy.

Ortega Discusses Elections, Meeting With Quayle

PY1403031490 Buenos Aires Argentina Televisora Color Network in Spanish 2300 GMT 13 Mar 90

["Exclusive interview" with President Daniel Ortega by Edgardo Antoniana; date and place not given—recorded]

[Text] [Antoniana] From your point of view and looking back now, what mistakes led to your defeat in the elections?

[Ortega] First, we must bear in mind that the Sandinist National Liberation Front [FSLN] has never advocated the single-party approach. We have always advocated democracy for Nicaragua, but a democracy achieved through revolution, a popular victory obtained following a nationalist approach.

This allowed the first elections to be held in Nicaragua in 1984. Whenever one holds elections, the people have a chance to choose betweeen various options and one runs the risk of losing.

You can see, therefore, that we have not staged a revolution to get a hold on power. We have held elections to give the people a chance to choose.

I believe that in these elections the decisive vote of 20 or 30-percent of the constituency was swayed by the desperation arising from more than 10-years of war, aggression, and economic decline. Nicaragua suffered more

than 60,000 casualties, 30,000 of them fatal. Proportionately, it would be as if the United States had suffered 2 million casualties, half of them fatal. This will give you an idea of the blow inflicted on the Nicaraguan society [words indistinct].

Still, the FSLN came out of these elections as Nicaragua's strongest and largest party with 41 percent of the votes.

Vice President Quayle is absolutely sure that power will be transferred on 25 April, and he also promised to do his best to prevent things from getting worse in Nicaragua. We fully agreed that the contras must be disarmed and disbanded.

[Antoniana] Did you get an affirmative answer?

[Ortega] We fully agreed on that subject. I found this meeting with Vice President Quayle very valuable; it was a very positive meeting. His approach is very constructive, and it provides support to the efforts the Nicaraguans have been making, efforts that were crowned with these elections on 25 February and the transfer of power on 25 April. The eradication, disarmament, and disbandment of the contras is very important, along with the repatriation of those who want to return to Nicaragua and the relocation, in other countries, of those who do not want to return.

[Antoniana] Finally, what role will the Sandinists play as opposition?

[Ortega] We will engage in constructive opposition, defending the accomplishments of the revolution, defending the Constitution of the country, and supporting the new government in anything that benefits the people and the nation.

[Antoniana] Thank you very much, Commander.

Obando y Bravo Willing To Go to Contra Camps

PA1303152890 Managua Radio Sandino in Spanish 1206 GMT 13 Mar 90

[Text] Cardinal Miguel Obando y Bravo has advised UNO's [National Opposition Union] political council of his willingness to travel to Tegucigalpa and even to contra camps to arrange their disarmament and demobilization if President-elect Violeta Barrios accompanys him. Cardinal Obando y Bravo said the mediating effort was officially requested by the Honduran Government through the two emissaries who came to Nicaragua last week to discuss the contra matter.

The archbishop said Rafael Leonardo Callejas' government had also requested that Dona Violeta Barrios be present so both of them could talk to contra leaders about demobilization. Cardinal Obando y Bravo said he cannot go to Honduras alone to discuss demobilization with contras because they will ask about military and political matters regarding the transfer of power, and these types of questions can only be answered by representatives of the new government. Cardinal Obando y Bravo said that talks should be held in Tegucigalpa, but if Dona Violeta goes to the Yamales camps, he would accompany her.

Socialist Party Leader Views Tranfer of Power

PA1303225190 Managua Radio Catolica in Spanish 1130 GMT 13 Mar 90

[Text] President Daniel Ortega has told U.S. Vice President Dan Quayle that he will peacefully and unconditionally transfer power to Mrs. Violeta Chamorro on 25 April. However, in Managua, the president's brother, Humberto Ortega, has apparently asked the representatives of the newly elected government to give the Sandinists the control of the Defense and Interior Ministries.

How are we to understand this apparent contradiction? Here with us is Nicaraguan Socialist Party leader Luis Sanchez Sancho, who is Violeta Chamorro's spokesman and member of the commission in charge of discussing the transfer of power with the current government. Let us listen to Mr. Luis Sanchez Sancho.

[Begin recording] [Sanchez] Good morning to all the listeners of Radio Catolica. First, I believe it is very important that President Ortega made such statements, even though he is far from the fatherland and he made the statements to representatives of foreign governments, because he has nevertheless clarified some uncertainties in the minds of the Nicaraguan people.

The majority of the Nicaraguan people—who voted for democratic change, for national reconciliation, and for peace—logically expect there will be an orderly, democratic, and civic transfer of power without any conditions, because the people did not vote for power to be shared. They simply voted because they wanted Mrs. Violeta Chamorro to assume a full presidential mandate.

Therefore, all the discussions that are being held among Latin American leaders and the U.S. vice president in Chile—and I understand they will continue to talk about the Central American and Nicaraguan issues during the inauguration of Fernando Collor de Mello in Brazil—are contributing to a climate of confidence and stability that should exist in Nicaragua to guarantee the orderly, peaceful, and civic transition to democracy.

I would like to take this opportunity to reaffirm what we have previously mentioned. Those of us from the transition team of President-elect Chamorro are not negotiating anything. The process for the transfer of power is established in the political Constitution of the country and in our laws. The rights and powers of the president of the Republic are clearly established in the Constitution and in our laws. The mandate for the new government is clear. Therefore, there is absolutely nothing to negotiate.

We naturally understand that the transfer of power in a government is complex and difficult. We must take into account that the Sandinist National Liberation Front [FSLN] was not prepared to turn over power. They had said they would govern for at least 1,000 years—as President Ortega once said in Ciudad Dario at one of the anniversary celebrations of the great Nicaraguan poet Ruben Dario.

There is probably much disorder. Also, a clear situation in the government does not exist, unlike in any normal, civilized, democratic, and modern country in which the public administration is permanently prepared to submit clear reports when the public and parliament ask for it. Any normal government is also prepared to easily turn over reports to the new administration when there is a change of government by means of elections. This is not the case in Nicaragua. Apparently those who have ruled Nicaragua up to now are now hastily trying to put things in order. They are trying to put in order all the expenses they have had in the past 10 years, years in which they have not submitted reports to anyone, let alone to the Nicaraguan people.

Therefore, that is why I believe the talks between the transition teams are not taking place at a faster pace. I hope that beginning this week both transition teams can work more quickly, and, I repeat, we are negotiating absolutely nothing. We want an orderly and serious transfer of power.

[Reporter] Could General Humberto Ortega remain as chief of staff of the EPS [Sandinist People's Army]?

[Sanchez] That is a subject we did not discuss in the talks we held last week. Therefore, we do not have a statement in this regard. If the subject comes up, Mrs. Violeta Chamorro should be the one to respond.

[Reporter] Cardinal Miguel Obando y Bravo said he is willing to travel to the contra camps in Honduras to talk about their demobilization. But he has also said that he would like Mrs. Violeta Chamorro to travel to the camps. Do you have anything to say as the spokesman for the new government?

[Sanchez] I would like to say this: The resistance was not created by Cardinal Obando y Bravo, Mrs. Violeta, or the new government that will take power on 25 April. On the contrary, both the church and the democratic opposition were always very clear that all forms of violence and war must be banned from Nicaraguan political relations, and that only Nicaraguans should resolve Nicaraguan matters through peaceful elections, respect for public liberties, and the creation and strengthening of genuine democratic institutions. Thus, the phenomena of violence, war, and armed resistance have been against our will. However, this has now become a problem we are going to have to face, and we want to help resolve this the best way we can.

The problem was created by interests of foreign powers and the Sandinists themselves. All Nicaraguans remember how the Sandinist leaders and ideologues proudly proclaimed that all revolutions create counterrevolutions, thus justifying this phenomena of violence and war. They believed that social progress, development of the Nicaraguan people, and social and economic transformations could only come about through massacres, blood, war, and destruction. This is an irrational theory, totally divorced from the humane characteristics that political relations in Nicaragua or any other part of the world should have.

With this in mind, Mrs. Violeta has stated—and demonstrated in practice—her willingness to contribute to resolving this problem as fast as possible. Only yesterday she talked to President Bush, requesting that he intercede to resolve this problem and not allow it to continue to be used as a pretext to hinder the peaceful, orderly, and democratic transition process in Nicaragua. I am sure that, if necessary, Mrs. Violeta will go along with Cardinal Obando y Bravo to talk directly to these people and offer them the guarantees they need for their personal security, their family security, or their social and economic security. I am sure she will not hesitate to go, despite the difficulties this would mean for her, because, as a result of all the rushing around she had to do during this electoral campaign, she has not yet fully recovered from her leg problem. [end recording]

Contra Leader Calero Views Demobilization, Aid

PA1303215990 Madrid EFE in Spanish 1905 GMT 13 Mar 90

[Report by Marcelino Benito]

[Text] Houston, 13 Mar (EFE)—Contra leader Adolfo Calero said today in statements to the EFE News Agency that no one will preclude or establish conditions for the demobilization of the armed group that brought democracy to his country.

During a private visit to Houston, where he met with Nicaraguan President-elect Violeta Chamorro, Calero recognized the fairness of the general elections which were recently held in his country, adding that everyone, the contras included, must respect the results.

The resistance fulfilled its pledge to make the elections possible in Nicaragua, and the demobilization process has begun under the supervision of the United Nations and the OAS, he said.

Nevertheless, Calero emphasized that the United States must present specific programs and money so the contras may relocate in Nicaragua. The U.S. Government gave us the money so our men could have weapons, he said, and now it has the obligation to give us the aid to start a new life in our country, without conditions.

Calero made the same recommendation to the next Nicaraguan Government, saying: It must give us land so, helped by the U.S. money, 50,000 contras may progressively become part of Nicaraguan society.

Calero rejected the option of the contras becoming a political party when they return to Nicaragua, emphasizing that there are already enough political organizations to admit all the ideological tendencies that exist among the resistance forces.

Calero explained that he traveled to Houston to greet and talk to Mrs. Violeta and a group of old friends. He denied that they had talked about politics or that he had requested a post in the next Nicaraguan government, saying: The only thing I told Mrs. Chamorro is that, as a Nicaraguan citizen, I am entirely at her disposal and at the disposal of the new government she will lead.

The leader of the Nicaraguan resistance, which played a major role in the Iran-contra scandal, believes that his image does not guarantee he will eventually have a high-ranking political post in Nicaragua. My position, he stated, has always been that of a Nicaraguan citizen who did what was possible for his homeland's liberation and who is willing to return and become another businessman, which is my profession.

While evaluating the effects of the new amnesty and land ownership laws that have been issued by the Nicaraguan government, Calero said they are worthless because the new government, which is to be sworn in on 25 April, should be the one to issue those laws.

The government that Mrs. Chamorro will lead will decide what laws should be enforced. This means that the laws issued by the outgoing government can be changed or modified, he added.

Referring to the Sandinist government's amnesty law, Calero said it came too late and is therefore worthless. Mrs. Violeta should be the one to grant the amnesty. She announced her intentions before the elections, so the new government should be the one to grant the amnesty.

Calero defined the Sandinists' process to turn over power as something that they do not like, yet they have no choice but to fulfill the will of the people, who have democratically chosen a political change.

Referring to the report that the Sandinists are arming the civilian population, the Nicaraguan contra leader said this was absurd and should not be done, and that it will be a grave problem that the new government must solve.

Calero said: A general disarmament must be carried out in Nicaragua, starting with the citizenry, because there is no political reason for the people to be armed or to have special groups of secret police.

Talking about the U.S. Government's economic aid to Nicaragua, Calero recognized that things are going slow in Washington, but he asserted that the emergency aid might arrive after the new government is sworn in on 25 April. He stated: It is true that the U.S. Government's aid is the most important and urgent, but we also count on the aid which Japan, the West European countries, and the Soviet Union may give us, as they have promised Mrs. Chamorro.

Calero believes that Mrs. Chamorro's government should not be given deadlines and that it should be allowed to work on the country's reconstruction.

According to history, the Nicaraguan people have always had the capability and ability to overcome misfortunes, and this will not be the exception, Calero stated.

Arce Discusses Mexico Visit, Chamorro Government

PA1303212490 Managua Sistema Sandinista de Television Network in Spanish 0200 GMT 13 Mar 90

[Interview with Sandinist National Liberation Front, FSLN, Commander Bayardo Arce by unidentified reporter; date and place not given—recorded]

[Text] [Arce] We went to Mexico to talk to President Carlos Salinas de Gortari and with the PRI [Institutional Revolutionary Party], the ruling party. During the interview with President Salinas we expressed our desire to have Mexico join the international efforts to attain fulfillment of the Central American presidents' agreements designed to promote the unconditional demobilization and disarmament of the contras during the transition period, to allow a smooth transition of power. Our meeting with the PRI was to discuss how we are going to continue our friendship relations as parties, amid the new conditions in which the FSLN will be working. I believe we obtained positive results in these two fundamental missions. President Salinas shared our assessment of the importance of demobilizing the contras to facilitate a peaceful transfer of power. He promised that the Mexican Government would support these efforts, as other presidents and other Latin American and European countries are doing.

During the meeting with PRI President Senator Luis Donaldo Colosio, we discussed the mechanisms by which we will continue our party relations once we become the opposition.

[Reporter] Commander, was this visit part of a diplomatic offensive the FSLN is carrying out?

[Arce] I believe that the Nicaraguan problem, as it is being called, has always been of great international interest. The FSLN still has the responsibity of searching for peace for our people. We want to have peace, security, and democracy for all Nicaraguans. Since we have noticed resistance in the counterrevolutionary groups—it seems they are resisting everything—to demobilizing, we consider it important to continue to encourage and invite the international community to participate in this effort.

[Reporter] There are extremist sectors within the new government, which has placed symmetry as a condition for the transition of power. What is your opinion on this?

[Arce] I believe that, indeed, there are some sectors in the U.S. Government that could be termed extremist, not only because of their symmetry proposal, but also for

trying to annoy the FSLN and ignore the great effort we have made toward peace and democracy in our country. I have seen that the person who managed Mrs. Violeta de Chamorro's campaign, who is currently working on the transfer of power, has a great sense of responsibility and good citizenship and has not supported the radical positions we have observed, which we hope will be forgotten by the common sense and unity of all Nicaraguans. [Reporter] Commander, which sectors do you believe these extremist sectors represent? What kind of danger will they pose to the new government?

[Arce] I have already said that this is also being observed in the United States, where there is an ultra-right wing, which has not understood the new international terms for coexistence that have been opening up around the world. They want to continue with the policy of McCarthyism, the big stick of past times. I believe that, should the tendency continue, the new government will have to face times of instability and difficulty, such as those the Sandinist Government had to endure. As all our people clearly know, if there have been economic and social problems—which we did have—if people have been killed or maimed, if children have been left orphaned, if we have had material destruction, it has all been the result of a war that we would not like the new government or the Nicaraguan people to experience again. However, if that trend persists, the new government will have to face it. They will have to endure a situation that all Nicaraguans have the obligation of avoiding.

Madrid Paper Interviews Vice President-Elect

PM1303162390 Madrid DIARIO 16 in Spanish 2 Mar 90 p 17

[Interview with Vice President-elect Virgilio Godoy by Juan Fernandez Arribas in Managua; date not given]

[Excerpt] [passage omitted] [Arribas] How do you view your country's future following your election victory?

[Godoy] We are trying to perform a feat which is, for the first time in a long time, a peaceful transfer of power and also the beginning of a radical process of democratization for Nicaragua.

There are some doubts about this, because the Sandinists' ambiguity continues to manifest itself in Daniel Ortega's speech, which really gives some grounds for concern, insofar as he said that he will hand over power only if six conditions that he mentioned directly are fulfilled. This is included in no political settlement or in any Nicaraguan document or law.

[Arribas] In particular, Ortega demanded the demobilization and disarming of the contras....

[Godoy] He had 10 years to achieve this, but failed. When the National Opposition Union [UNO] is in power and fully exercising its constitutional powers, I assure you that the problem will be resolved in under a week.

[Arribas] The other conditions laid down by Ortega are difficult to accept, especially with respect to the Sandinist People's Army, the banks, public officials, and so forth.

[Godoy] No, the condition concerning public officials is really no problem, because we even said throughout the campaign that the only condition for somebody to stay in his job is that he live up to his responsibilities.

But Ortega has sought to introduce this as an element of fear and panic in the public bureaucracy, and this does not fit the facts—nor should this be done in that arrogant and alarmist language.

The most irksome thing, I would say, is Ortega's aim of seeking to retain—"Polish-style"—the Interior Ministry, the Defense Ministry, and also control of the financial system. Fine, but if the polls told a very clear truth—they had 40 percent of the votes and we had 57 percent—there is no political, moral, ethical, or legal justification for such an aim.

[Arribas] Is handing over the Sandinists' arms essential for stability and for the democratic process in Nicaragua?

[Godoy] It is; moreover, we cannot pledge to leave that enormous military and security apparatus, which they developed, intact. What the Ortegas and the commanders succeeded in building is an attempt at a vertical society, and that runs counter to our aim, for which the Nicaraguan people voted, of a really democratic society—that is, a totally horizontal society.

[Arribas] Do UNO's strength and unity persist following the elections?

[Godoy] Now more than before the elections, and so all the forecasts that proved wrong before will prove wrong again this time.

[Arribas] Is there no kind of problem, especially concerning the matter of allocating ministries and sharing power, because, as the Sandinistas argue, their votes are for a single party but UNO's votes must be shared among 14 parties?

[Godoy] That is a form of self-consolation. They said that they were going to sweep the board in these elections; that they would win over 70 percent of the votes. The Nicaraguan people quite clearly punished them, telling them: "Gentlemen, you had 10 years and failed; now others are coming who are going to have a try."

[Arribas] Have you people—Mrs. Chamorro, for instance—had any contact with the U.S. Government to find out how and when it is going to lift the trade embargo?

[Godoy] When Mrs. Chamorro paid her last visit to the United States and visited President Bush, she specifically asked him to lift the trade embargo.

I believe that there is a recent statement by President Bush to the effect that the embargo will indeed be lifted over the next few days. So, I believe, at some point before the 25 April investiture, Violeta Chamorro will begin another tour which will certainly take her to the United States and West Europe, where all necessary demarches with respect to the plan for democratizing and rebuilding Nicaragua will be made.

[Arribas] So is she going to visit Spain?

[Godoy] I imagine that, if this happens, she will have to make a journey similar to that which she made quite recently.

[Arribas] Will you seek the EC's economic cooperation, to be able to extricate yourselves from the economic crisis?

[Godoy] Yes, certainly.

Panama

President Endara Suspends 13-Day 'Fast'

PA1303221890 Panama City Circuito RPC Radio in Spanish 1705 GMT 13 Mar 90

[Text] At 1000 today, President Guillermo Endara Galimany suspended the fast he had begun on 1 March in solidarity with the neediest Panamanians and to call attention to the country's crisis and lack of foreign aid.

Endara, who had previously announced that he would suspend the fast whenever his conscience so dictated, said that the time to end his fast had arrived. Shortly before suspending his fast, President Endara received a delegation of legislators who asked him to end it so his health would not be affected.

President Endara explained that he was ending the fast so as not to affect his capability to govern. He told reporters that he had lost eight kg during the fast.

Arias Calderon Comments on Police Operation

PA1303221290 Panama City Radio KW Continente in Spanish 1719 GMT 13 Mar 90

[News conference by Ricardo Arias Calderon, first vice president and government and justice minister, at the Government and Justice Palace in Panama City on 13 March—recorded]

[Text] I want to announce that today we have continued with "Operation Recover Tranquility Amid Democracy." The operation began this morning at approximately 0500 or 0530 in the San Miguelito area, specifically the area of Cerro Cocobolo, Mano de Piedra Duran, Mi Felicidad, and Valle de Urraca.

A total of 665 Panamanian men are participating in this operation, 250 men from the Judicial Technical Police (PTJ) and 415 from the Metropolitan Police. Two helicopters from the National Air Service are participating. We have the complementary support of American military units, but both the planning and the implementation of the operation are basically in the hands of the PTJ and the Metropolitan Police.

A series of other government institutions also share responsibility in this operation, such as representatives from the District Attorney's Office, police magistrates from the San Miguelito Mayor's Office, the National Immigration and Naturalization Department, and Juvenile Court representatives.

As of approximately 1000 today, 147 people had been arrested—including 10 women and 14 minors. An AK-47 machine gun with four magazines—two empty, two loaded—had already been found, as was a shotgun and a .18-caliber revolver. We also found some marijuana and bazuco [mixture of cocaine paste and marijuana].

Arias Calderon Comments on Debt, New Loans

PA1303235390 Panama City EL PANAMA AMERICA in Spanish 12 Mar 90

[Report by Juan Pritsiolas]

[Text] Vice President Ricardo Arias Calderon has said that to obtain new loans, Panama must pay a debt of 540 million balboas [B] with international financial organizations.

During a meeting with members of the Christian Democratic Party, Arias Calderon, who is also the government and justice minister, explained that Panama owes this money to the IMF, the World Bank, and the Inter-American Development Bank. He added, "If we do not pay (that debt), they will not approve" additional loans for Panama.

The Panamanian vice president announced that to cover part of the debt, Panama is preparing a B130-million aid package with money coming from the Panamanian funds frozen in the United States and a similar sum the country is going to ask Washington "to put in" for us. We plan to ask the EEC and Japan to contribute B130 million each, he said.

As of 31 December 1989, Panama's public debt totaled B5.98 billion. The country's main creditors are private banks, which granted loans to Panama for up to B1.78 billion, along with the Inter-American Development Bank, which granted Panama loans for up to B481 million.

Housing Minister Views U.S. Aid for Chorrillo

PA1303235690 Panama City Circuito RPC Radio in Spanish 1200 GMT 8 Mar 90

[Text] Yesterday, the U.S. Government, through USAID, signed a $25.1-million agreement for emergency economic assistance with the Planning and Economic

Policy Ministry. U.S. Ambassador Deane Hinton signed on behalf of the U.S. Government while President Guillermo Endara Galimany signed for the Panamanian Government.

After the ceremony, Housing Minister Raul Figueroa explained the objectives of this agreement:

[Begin Figueroa recording] "This is a donation to resolve the housing problem in the Chorrillo area. The package amounts to more than $18 million. It involves almost $20 million, together with the $2.5 million we have already received for the building called 24 December. Therefore, the exact housing aid for Chorrillo victims is more than $22 million. However, this agreement also promotes the creation of jobs in projects to paint and repair schools run by the Education Ministry and to fix streets that are in poor condition because of a lack of maintenance in the past few years. [end recording]

Figueroa also referred to the $6,500 that will be distributed to the Chorrillo families.

[Begin recording] [Figueroa] This amount will help them finance their homes so they will not have to pay anything out of their own pockets. The $6,500 will be deposited in a Caja de Ahorros passbook that will be issued in the name of each family. We must be very clear about this: The money is not being given to these families; instead, the passbook guarantees the payment for the home they choose.

[Reporter] Can this house be located elsewhere?

[Figueroa] They will have options in certain buildings in El Chorrillo. They will have a basic figure of $6,500 for this purpose. However, those who have jobs can get loans for up to $13,500 to finance better houses. [end recording]

Each unemployed family can use the $6,500 to build a house on a piece of land they choose. However, the question is: Will these families, who have lived in Chorrillo for so many years, know how to make the best use of this money? We shall see.

Argentina

Economy Minister Discusses New Measures

PY1303000290 Buenos Aires CLARIN in Spanish 11 Mar 90 pp 2, 3

["Exclusive" interview with Economy Minister Antonio Ermam Gonzalez by Marcelo Bonelli in Buenos Aires on 10 March]

[Text] [Bonelli] The plan to streamline state operations was not made very clear. The elimination of secretariats and undersecretariats was announced. How many people are affected? What will happen to employees who are dismissed?

[Gonzalez] An entire level of the public administration has been eliminated. This will reduce the state bureaucracy. On the other hand, the decision to eliminate secretariats and undersecretariats implies the elimination of other structures that are subordinate to the state secretariats, such as national directorates and dependent organs.

[Bonelli] Does this mean many people will have to be reassigned?

[Gonzalez] The law says that when a structure disappears, the personnel are subject to reassignment. It does not mean immediate dismissal. It implies that the state may or may not assign them to other jobs. We are going to streamline state operations at the lowest social cost. To avoid leaving homes without income, the reassignment will begin in this way: Those people who have less than two years until retirement and those people who hold two jobs will be retired.

[Bonelli] Two jobs in public administration?

[Gonzalez] Two jobs either in the national or provincial administration, national or municipal administration, or national administration and private enterprise, including public enterprises. Only a second job in teaching will be allowed. With this and the elimination of overtime, we will save 20 to 25 percent in personnel expenditures without resorting to major layoffs.

[Bonelli] Your proposal is broader. Complete structures will....

[Gonzalez] Disappear....

[Bonelli] That is right; what will those people do?

[Gonzalez] Some of them will be subject to reassignment because their situations fit one of the categories I just mentioned. Others will be transfered to jobs in the DGI [General Directorate of Taxation] or customs service. We have to act reasonably to minimize social costs.

[Bonelli] The impression remains that the streamlining plan will affect many people. How many employees will be affected?

[Gonzalez] In the first phase, about five to seven percent of the permanent personnel.

[Bonelli] Something does not add up. It seems an exaggeration to say personnel expenditures will be reduced 25 percent through these means. Are you thinking of reassigning another large portion of state personnel?

[Gonzalez] We cannot be lukewarm on this issue. The final objective is to have the state performing its functions well, to improve the services it must provide, and to eliminate unnecessary bureaucracy. This move will affect all personnel who draw a salary without performing specific functions. It will not, however, result in wholesale dismissals.

[Bonelli] Will the reassignment status be supported by a plan to pay full salaries for a period of 10 months?

[Gonzalez] Yes. At the end of the 10-month period, the employee can choose to keep his state job, drawing 50-percent of his salary for another 10-month period, or he can choose to collect severance pay.

[Bonelli] There is some discontent over the adjustment announced by the government. The labor movement is taking its time, but the unions promise to stage protest actions.

[Gonzalez] If the protest actions were accompanied by a proposal to benefit the economy, we would have to analyze them. However, if the actions are meant to protest because a privilege or a position of power is lost, that will become obvious.

[Bonelli] Will the government finally yield to union pressure?

[Gonzalez] Under no circumstances. We are not going to yield. We cannot yield, because we have the clear and noble goal of a greater distribution of wealth and the end of privileges.

[Bonelli] You say that, but the people feel the money they earn has less value every day.

[Gonzalez] That is true, but it is because of the mistakes made over many years. Impoverishment is throughout the country.

[Bonelli] A political event occurred in one of the richest areas of the country, Venado Tuerto: Businesses closed and protests were made against the economic adjustment. Are you afraid that reactions of this type may multiply?

[Gonzalez] We are not afraid of reactions. We are firm in our convictions. People should understand one thing: The burden of this adjustment falls on the richest sector, the agricultural and the industrial export sector.

[Bonelli] But to increase the withholding on exports of agricultural products by only five percent, the government had to go through a cabinet crisis.

[Gonzalez] They are political costs resulting from the desire to change old policies, such as money exchange control, price control, and salary fixing.

[Bonelli] Was the withholding implemented because of the economic team's firm position before the president?

[Gonzalez] Without a doubt. We were convinced that it had to be done.

[Bonelli] It was said the utility rates would be adjusted automatically. Little was said about how this will work. How will it work?

[Gonzalez] All utility rates will be adjusted like the adjustment to be implemented on taxes. The adjustment will not be based on the dollar as has been reported. It will be based on the behavior of the price of basic foods.

[Benelli] Will it be a daily adjustment?

[Gonzalez] It will not be a daily adjustment. The adjustment will be made when the bill is paid. In other words, utility rate increases will no longer be announced.

[Bonelli] That will be a "utility-rate illusion?" The fact is that increases will be implemented.

[Gonzalez] No, because the goal for which we are working is stability. That adjustment mechanism will not be necessary because we expect a drastic reduction in inflation.

[Bonelli] The dollar rate stabilized this week but prices continue to increase. What is the government going to do to prevent price increases that are causing so much anguish to the population?

[Gonzalez] The price lists we publish reflect that the price hikes are wrong, but the government will continue to publish the price lists, their evolution, and the cost structures. It will also continue to meet with businessmen to explain to them how much freedom they have to set prices.

[Bonelli] Because authorities generally try to hide price mark-ups, we do not often hear the commerce secretariat saying: "Look how much prices have increased." There are rumors in the manufacturing sector that the government only seeks to provoke people's reaction in order to hit businessmen hard publicly.

[Gonzalez] We have tax laws; we have the supply law. These are tools we will use to protect the community.

[Bonelli] You have mentioned utility rates hikes. What about salaries?

[Gonzalez] They will be adjusted just like utility rates through an adjustment index. This is the only way to prevent the loss of purchasing power of salaries.

[Bonelli] Let me ask again because it is important: Will salaries be adjusted monthly in accordance with the index of internal costs that is being used to adjust utility rates?

[Gonzalez] That is correct. It is the right way to compensate. It will be implemented as of 1 April on public workers but will not be mandatory for the private sector. Worker-manager negotiation boards will have to use similar adjustment mechanisms because the index is not automatically applied. They are a compensation. We will also use other mechanisms to adjust salaries, such as depositing part of the salary in a savings account. Once the system begins to work we will not need to announce new adjustments.

[Bonelli] Will the government implement new measures to stabilize the foreign exchange market if we obtain foreign support?

[Gonzalez] We would only announce reforms to the model, no more adjustments. My next appearance on television will be to announce good investment news.

[Bonelli] Everything looks nice in the newspapers. The dollar price drops and interest rates calm down. But the people are not convinced; they fear a cemetery-like peace. Do you not fear a social explosion?

[Gonzalez] We are working to do away with extreme poverty. We are working to stop the deterioration of our standard of living and to create new jobs. Our plans contemplate more social policies with which to overcome these difficulties.

[Bonelli] Is Central Bank President Enrique Folcini leaving?

[Gonzalez] If he insists on leaving, we will have to accept his resignation. The Central Bank president is annoyed by what he considers unjust criticisms. These criticisms have affected him.

[Bonelli] Whoever reads your answer will think: "Gonzalez has given the final blow to Folcini."

[Gonzalez] Why?

[Bonelli] First, because you do not deny he is going; second, because you do not confirm him in his post. "If he insists in going away, we will have to accept his resignation."

[Gonzalez] Of course. No one can be forced to play a role where he does not feel comfortable or does not feel he has the necessary authority or confidence.

[Bonelli] Is there a successor? Javier Gonzalez Fraga has returned hastily to the country.

[Gonzalez] We are united by a great friendship and mutual confidence. I have a great intellectual respect for this economist.

[Bonelli] He is not very well accepted in the market. Would his designation not jeopardize stability?

[Gonzalez] Nobody should be afraid of changes that must be made. The main consideration is that the replacement agrees with the government's policy. The Central Bank is a fundamental arm for the implementation of that policy.

[Bonelli] Reportedly, Folcini was very upset by the fact that the Central Bank directorate voted against his decision to put a bank in receivership. It is said his replacement depends on whether or not the minister supports the Central Bank president's decision.

[Gonzalez] The decisions at an institution ruled by a directorate, such as the Central Bank, are made by a majority vote; otherwise, there would be no need for a directorate.

[Bonelli] Is the closure of some banks expected? In the cabinet, several ministers contend that this is necessary to keep up with the restructuring of the state and the production apparatus.

[Gonzalez] We will proceed with restructuring the whole economy, including the banks. We are setting the example, beginning with the public sector. The private sector will have to adjust also.

[Bonelli] Will the Central Bank be flexible or inflexible with the banks that do not comply with the requirements to function in the system?

[Gonzalez] The Central Bank has to become inflexible.

Deputy Minister Resigns

PY1303230190 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2214 GMT 13 Mar 90

[Text] Buenos Aires, 13 Mar (NA)—Official sources have reported that Deputy Economy Minister Hector Gambarotta has tendered his irrevocable resignation. Gambarotta's decision is a result of disagreements over the economic program being implemented by the government.

Menem Speaks on Falklands, Coup Rumors, Economy

PY1303170790 Buenos Aires TELAM in Spanish 1143 GMT 13 Mar 90

[Text] Santiago, 13 Mar (TELAM)—President Carlos Menem has reiterated his "unyielding faith" in his current economic policy, which "will help us overcome our problems in two or two and a half years." He stressed that "Argentines will not relinquish sovereignty over the Malvinas and the other South Atlantic islands."

During a press conference held at the Argentine Embassy's residence in Santiago before his departure for Buenos Aires, Menem said that "the military is totally subordinated to the government," adding that reports on an alleged atmosphere of unrest in the barracks are "rumors and nonsense."

The Argentine president said he was "very satisfied" with the results of a meeting with British Deputy Prime Minister Geoffrey Howe [as received], with whom he analyzed "the initial progress the two countries have made after reestablishing diplomatic relations in February."

Asked about Argentina's economic situation, Menem reiterated his "unyielding faith" in the "path that was chosen," adding that "problems will be overcome as scheduled, in two or two and a half years."

"This is what we said during the electoral campaign," Menem maintained. He stressed that "there are some who do not have a good memory and who expect everything despite the fact that we have only been in office for six months."

The Argentine chief of state said: "Argentines will not relinquish sovereignty over the Malvinas and the other South Atlantic islands, but to achieve this objective, we have chosen the path of dialogue. This is why we have to talk with Great Britain, just as we have to talk with Chile about Antarctica."

Menem announced that he will expedite the investigations into the murder of Carlos Prats, Chilean Army commander in chief, in September 1974 in Buenos Aires. He noted, however, that "it is an issue to be dealt with by the judiciary, which is an independent branch in Argentina."

The Argentine president also stressed that he wants to "promote Latin American integration," adding that "each country, by itself, can not overcome the barrier of underdevelopment."

At the conclusion of the press conference, in response to a question dealing with sports, Menem predicted that Argentina's national soccer team "will be among the top four teams at Italy's world soccer tournament," noting that "playing in the finals would be the best."

Spanish Prime Minister Arrives From Chile

PY1303233990 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2235 GMT 13 Mar 90

[Text] Buenos Aires, 13 Mar (NA)—Spanish Prime Minister Felipe Gonzalez arrived at the Ezeiza International Airport shortly after 1915 tonight and boarded the Argentine presidential plane Tango One, which took him to Aeroparque Metropolitan Airport, where the official welcome ceremony will be held.

Spanish Ambassador to Argentina Raymundo Basals y Jacas and Argentina Foreign Ministry Protocol Director Fernando Taboada welcomed Gonzalez at Ezeiza.

Italian Prime Minister Arrives for Visit

PY1303142890 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1358 GMT 13 Mar 90

[Text] Buenos Aires, 13 Mar (NA)—Italian Prime Minister Giulio Andreotti conveyed his greetings to the Argentine people upon arriving in our country today. During his visit, Andreotti will announce a credit package totaling $300 million and a $150-million donation.

Andreotti was welcomed at the Aeroparque Metropolitan Airport by President Carlos Menem, Foreign Minister Domingo Cavallo, and other officials.

Addresses Congress

PY1303235390 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1725 GMT 13 Mar 90

[Text] Buenos Aires, 13 Mar (NA)—Italian Prime Minister Giulio Andreotti today reaffirmed his country's decision to strengthen its partnership treaty with Argentina. He announced that the operational stage in the sectors of the economy that stimulate and are strategic is about to begin.

Speaking to a joint session of Congress held in his honor, Andreotti explained the Italian commitment to invest in telecommunications development, electric energy, refurbishment of Buenos Aires subways, and joint initiatives in the field of information and communications media.

Andreotti termed Argentina as a "privileged interlocutor" within Latin America and announced that Italy intends to implement "both great infrastructure projects and technological modernization within the framework of a strategy intended to promote the expansion of small and medium-sized enterprises."

He stated: "We are confident because Argentine history reminds us of our own history; we also had to face periods of very serious crisis, and we overcame them without betraying the principles of democracy."

Andreotti delivered his 20-minute speech to deputies and senators who gathered at the Chamber of Deputies, which was half empty, in contrast to the boxes that were filled with Italian authorities and guests.

The session was chaired by Vice President Eduardo Duhalde, who was assisted by Alberto Pierri. Also present at the session were: Foreign Minister Domingo Cavallo, Defense Minister Humberto Romero, Metropolitan Intendant Carlos Grosso, Apostolic Nuncio Ubaldo Calabressi, Supreme Court Judge Augusto Belluscio, Secretaries Eugenio Lestelle (prevention of drug addiction) and Jorge Pereyra de Olazabal (industry and foreign trade), Italian Ambassador to Buenos Aires Ludovico Incisa di Camerana, and Argentine Ambassador to Rome Carlos Ruckauf.

Andreotti arrived at 1100. He expressed his government's "full and timely solidarity," adding: "We are delighted that your economic difficulties have not prevented the consolidation of democracy."

He said that Latin America "during the 1980's concluded an obscure period in which a perverse spiral of authoritarianism manifested itself in repressive regimes, sacrificing an old and noble tradition of justice and liberty by displaying false objectives of development and order."

He termed the process experienced recently in Eastern Europe as a "political earthquake," admitting that the idea of holding a meeting in 1992 "in the common European home of countries that have been separated by war has forced us to change the strategy, make broader decisions, redesign the institutional profiles, and assume the unexpected costs."

The Italian Prime Minister stated that "the news from the east does not make us forget that we must support the consolidation of democracies in Latin America," where "the foreign debt problem that causes so many difficulties to this continent stands out."

"We must help the democracies while they are still alive and not mourn when they are dead," Andreotti stated. He was heavily applauded by Argentine deputies and senators.

He added that "the end of military regimes in this continent suggests that there are no longer those economic antagonisms and those ideological frontiers." Praising the Argentine wealth in wheat, petroleum, and meat, he said that "we want to treat you as a privileged interlocutor" in the continent.

In conclusion, he stressed the decision to "face with common initiatives the challenges of our times, particularly the insidious and the fatal danger of drugs."

Brazil

Cubans Forced To Send Back 10 Tons of Weapons

PY1303174890 Madrid EFE in Spanish 1618 GMT 13 mar 90

[Text] Rio de Janeiro, 13 Mar (EFE)— The Cuban delegation that arrived last weekend in Brasilia to attend the 15 March inauguration of Brazilian President-elect Fernando Collor de Mello brought with them 10 tons of weapons that their security guards intended to use for the visit of Cuban President Fidel Castro.

According to a report published today by the newspaper JORNAL DO BRASIL, the plane load of weapons, which even included missiles, was sent back.

JORNAL DO BRASIL reports that the arrival of the Cuban delegation's weapons almost provoked a diplomatic incident between Brazil and Cuba, but the matter was settled after nine hours of talks at the Brasilia international airport.

The plane, a Soviet-made Ilyushin, arrived at 2220 (0020 GMT 11 March) with 15 crew members and 83 passengers who carried diplomatic passports. Also on board the plane were 10 tons of weapons, including an antiaircraft gun, submachine guns, grenades, and missiles.

The Planalto Military Command was called in to inspect the weapons while federal officials demanded the submittal of documents concerning the weapons. The plane finally returned to Cuba on 11 March with the weapons, despite protests by the Cubans.

It has also been reported that after Collor de Mello's inauguration, Fidel Castro will have a busy schedule in Sao Paulo.

JORNAL DO BRASIL reports that the Cuban president wants to visit a health center, a school, an institution charged with promoting human rights, a housing development, and the Latin American Memorial.

The newspaper adds that Castro may also meet with Brazilian businessmen interested in investing in Cuba.

In Brasilia, center and right-wing congressmen are planning to hand the Cuban president a communique urging him to call "free, direct elections in Cuba as soon as possible." They will also suggest to the Cuban leader that the election be followed by "an indispensable general, unrestricted amnesty" for all those who are being deprived of their freedom for political reasons.

Collor de Mello's inauguration will be attended by 25 other chiefs of state, including all the presidents from South America, with the exception of Ecuadoran President Rodrigo Borja.

Government Confirms Incident

PY1303212890 Madrid EFE in Spanish 1908 GMT 13 Mar 90

[Text] Brasilia, 13 Mar (EFE)—Paulo Tarso Flecha de Lima, secretary general of the Brazilian Foreign Ministry, today confirmed that authorities had refused entry to a cargo of "nonportable" weapons intended to protect Cuban leader Fidel Castro during his visit to Brazil on 15 March to attend Fernando Collor's inauguration.

JOURNAL DO BRASIL reported today that a Cuban plane, a Soviet-made Ilyushin, arrived in Brasilia on 10 March carrying 10 tons of weapons, including an antiaircraft gun and missiles.

Brazilian authorities first requested certificates for the weapons, but after nine hours of talks, the plane had to return to Cuba with them despite strong protests by Cuban officials on the plane.

Flecha de Lima said that sending an advance mission to prepare for a president's visit was normal business, but added that the arms had been rejected.

"What was not portable did not need to be unloaded," Flecha de Lima said. The Foreign Ministry official today held a news conference to talk about Brazilian foreign policy during President Jose Sarney's administration.

The Brazilian Foreign Ministry yesterday confirmed that Castro will attend Fernando Collor's inauguration, 30 years after his last visit, when the new capital was under construction.

Flecha de Lima, whose position is equivalent to that of a deputy foreign minister, minimized the importance of the incident, pointing out that it was only a case of "excessive care by the security personnel" in charge of the Cuban president's protection.

Asked about the prospects of Cuba's reintegration into the Latin American community, Flecha de Lima said that the island "is increasingly looking toward Latin America" and that relations will improve, particularly following recent developments "in the Soviet Union's organization."

It has been reported that Fidel Castro will tour Brazil after Fernando Collor's inauguration, even though Castro's official agenda has not been confirmed.

Brazilian newspapers have said that the Cuban president will visit Manaus, capital of Amazonas State, and Sao Paulo, site of the Latin American Memorial, which was inaugurated last year.

Sao Paulo Governor Orestes Quercia—who visited Havana two years ago—had reportedly invited Fidel Castro to attend the inauguration of the memorial. The cultural center was designed by Oscar Niemeyer, the architect of Brasilia.

Minister-Designate Explains Bank Holidays

PY1403024490 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 13 Mar 90

[Text] The Central Bank has decreed bank holidays for 14, 15, and 16 March. The decree, signed by Central Bank President Wadico Bucchi, was released early tonight. The Central Bank has explained that the decision was adopted because of the economic meaures that will be announced by the future government.

Economy Minister-Designate Zelia Cardoso de Mello has just confirmed in Brasilia that the Collor government team participated in the decision to declare the bank holidays.

[Begin Cardoso recording] The bank holiday over the next few days will stop the speculation of the past few days. Speculation will no longer be possible. Our objective is to prevent such speculation so the measures to be adopted by the next government may be announced in a climate of absolute tranquility. Thank you very much. [end recording]

The minister-designate added that her money will remain in the overnight [preceding word given in English] market and that there will be no confiscations.

Collor Appoints Health Minister, Senate Leader

PY1303190390 Rio de Janeiro Rede Globo Television in Portuguese 1700 GMT 13 Mar 90

[Excerpt] Fernando Collor's government team is now complete. The president-elect this morning announced four designations, among them the future health minister.

The announcement by Collor again caused surprise because everyone believed he would announce only the name of the health minister, but he also announced the designations of Ipojuca Pontes, a moviemaker, to the Secretariat of Culture; Joao Santana, a lawyer, to the Administration Secretariat; and Jose Ignacio, PSDB [Brazilian Democratic Socialist Party] Senator for Espirito Santo State, as leader of the pro-government bloc in the Senate. The last announcement by Collor was the designation of Deputy Alceni Guerra as health minister. [passage omitted]

* Preelection Maneuvering for State Races Viewed

90ET0152A Sao Paulo VISAO in Portuguese 7 Feb 90 pp 14-17

[Text] Christmas cards, billboards, candidate propaganda (disguised as institutional messages) on television, political maneuvering in broad daylight—and in the dark—plus changes in the composition of the state government cabinets. No doubt about it; the campaigns for the gubernatorial succession are already under way. Also up for election are the members of the federal Chamber of Deputies, one-third of the Senate, and the legislators in the state assemblies. Would-be candidates popped up in several states in January. Some of them announced on their own; others staked a claim to a consensus of the opposition forces prior to announcing their candidacy; and, of course, there's the traditional pilgrimage of congressmen to the office of the country's most charismatic politician, President-elect Fernando Collor de Mello. The state election campaigns are really on the agenda. It is true that 1990 is an atypical year. From March to June, attentions will be focused on the debut of the Collor administration; from then until the end of July the only thing that matters will be the World Cup soccer games in Italy. It is further possible, in a troubled year like this one, that Congress will fabricate yet another casuistry—remember, there is still no law regulating this election, the first round of which is, in principle, scheduled for October. But what matters is that the election will name the governors and the Congress which will coexist—in peace or at war—with the administration of the first president to be elected by direct vote in 29 years. It will also be interesting to see whether the opposition forces that formed the Brazilian Popular Front to unite around defeated presidential candidate Luiz Ignacio Lula da Silva, assuring him more than 30 million votes in the second and final round, will manage to maintain or revamp their alliances in October.

It's plain as day that Collor has a major stake in this election, and he is well aware that the success or failure of his first 100 days of government will determine the extent of his influence on its outcome. Before Collor set off on his trip to nine countries on 24 January, a bevy of contenders for nomination called at the Itamaraty Annex II in Brasilia, where the transition team is headquartered, to seek the president-elect's support for their plans. It appears that Collor listened to all of them attentively, but didn't commit himself to any of them. During the press conference given on the day of his departure for foreign soil, he indicated that he would not meddle in parochial disputes for the nomination of state government candidates.

It is obvious, however, that he has certain interests—what he lacks are names, since his party, the PRN [National Reconstruction Party], has served basically only as a vehicle for his presidential candidacy. As a party, the PRN has neither a history nor influential candidates. As the federal legislators see it, this explains why Collor has been courting the PSDB [Brazilian Social Democracy Party]. This approach is illustrated by his recent contacts with the national president of the "toucans," former Sao Paulo Governor Franco Montoro. There are similarities between the proposals on the PRN and PSDB platforms, and they served as the starting point for a rapprochement, said to have been forged by Senators Carlos Chiarelli of the Rio Grande do Sul PFL [Liberal Front Party] and the administration's future leader in the Senate, and Jose Ignacio Ferreira from the PSDB in Espirito Santo State. The terms agreed on by the "toucans" and the PRN call for formal PSDB support of the first Collor administration actions, followed by an alliance between the two parties for the state elections. "This is the end of the prejudice against Collor," exulted Ferreira, adding that the PSDB's minimum goal is to elect the governors of Sao Paulo, Minas Gerais, Parana, and Espirito Santo.

Plenty of Candidates

It is clear that in Espirito Santo, Ferreira himself will probably be the candidate. The "toucan" luminaries who would run for governor in the other states are Senators Mario Covas from Sao Paulo and Jose Richa from Parana, and the current mayor of Belo Horizonte, Pimenta da Veiga. These are names with strong voter appeal, whom Collor would strengthen by the prestige that the presidential elections proved he enjoys in those regions. In Sao Paulo and Parana, however, the president-elect will have to contend with the ambitions of the PRN federal deputies: The name of Arnaldo Faria de Sa of Sao Paulo is already appearing on billboards scattered through the state capital. In Parana, Alceni Guerra and Jose Carlos Martinez are battling for the party's nomination for governor of that state. As if this weren't enough, Collor will also have to deal with whichever candidate is backed by the present governor of Parana, Alvaro Dias of the PMDB [Brazilian Democratic Movement Party], who possesses both prestige and votes there and is likely to run for a Senate seat.

The fact is that in none of these states will the election be a piece of cake, regardless of the candidates. Sao Paulo, as the wealthiest state in Brazil and the one with the largest electorate—18,500,980 voters—will have some heavyweight candidates, starting with Paulo Maluf of the PDS [Social Democratic Party], whose vote-getting prowess is well known. In the first round of the presidential election he received 3,934,334 votes in Sao Paulo, second only to Fernando Collor de Mello. Guilherme Afif Domingos of the PL [Liberal Party], who came out in fifth place in Sao Paulo on 15 November (807,944 votes), is another influential name and probable candidate.

Within the PMDB, the party that still has the largest number of governors and the biggest delegation in the National Congress, there are plenty of would-be nominees in every state. Despite the massive defeat it suffered in November, and the party's perpetual reputation as a heterogenous front that brings together politicians of all stripes, ranging from administration backers loyal to President Jose Sarney to "progressives" lined up behind Governor Miguel Arraes of Pernambuc, to "colloridos" like Governor Nilo Coelho of Bahia, the party of Deputy Ulysses Guimaraes is campaigning in earnest for the governorships of the principal states. The party has some good chances, since the state campaigns will not have the plebiscitary character that marked the presidential succession—which means that the current governors will be heavily involved in selecting the candidates and, of course, in the election itself.

A Primary?

In Sao Paulo, so far, there are five would-be PMDB candidates, all of whom are waiting to see what position Governor Orestes Quercia will take. He controls the party machine and will remain in Bandeirantes Palace until the last day of his term. Only one of the five names was discarded by Quercia out of hand—that of Lieutenant Governor Almino Affonso, with whom he never got along. But Almino is enthusiastically promoting his candidacy. He's bought space on billboards and has already made it clear that if he does not win the nomination via the PMDB, he will seek it from another party, probably the PDT [Democratic Worker's Party] of former Governor Leonel Brizola who, by the way, has already offered Quercia's lieutenant a home. Among the four remaining, the name that seemed to be most attractive to the governor as of last week was that of former state treasury secretary Jose Machado de Campos, who inserted some disguised propaganda into TV messages sponsored by the administration to encourage consumers to demand official receipts for purchases. Behind him were other former secretaries: Joao Leiva, who ran for mayor of Sao Paulo in 1988, and Jose Aristodemo Pinotti, a physician and former rector of Unicamp [Campinas State University]. Lastly, federal Deputy Airton Sandoval, a fervent "quercista" and head of the Sao Paulo PMDB, also expressed his intention to contest the nomination at the party convention that would pick the candidate.

The large number of pretenders and the governor's uncertainty as to who would be the best choice inspired the suggestion that a primary be held among active PMDB members. As of last week, however, although the proposal apparently had many supporters, any agreement on the date of such a survey seemed far away.

The PMDB also has quite a few would-be candidates for governor in the states of Minas Gerais, Rio de Janeiro, and Rio Grande do Sul. In Minas, with the apathy of Governor Newton Cardoso, PMDB, as a backdrop, there are two PMDB politicians who are willing to join the race for Liberdade Palace, seat of the state government: former Governor Helio Garcia and current Lieutenant Governor Junia Marise, who backed Collor in the presidential election. In both Rio de Janeiro and Rio Grande do Sul, Brizola is the big question mark, and both the PMDB and the other parties will be forced to decide whether they have enough pep to defeat the engineer—or whatever name he decides to support.

Governor Moreira Franco is not giving up trying to influence the selection of his own successor—and the fact is that, so far, the PMDB names given the most chance come from state government ranks. This is the case with Tecio Lins e Silva, secretary of justice; Marcio Fortes, president of Banerj [State Bank of Rio de Janeiro]; and Paulo Rattes, former mayor of Petropolis and now head of the newly-created Secretariat of Special Affairs. Advisors to Moreira Franco say that he hasn't yet decided who to back, but it is known that a public relations campaign about Banerj that aired during prime time on TV has helped Fortes, who is a construction contractor, young (not much over 40), and considered to be a competent administrator.

In Rio Grande do Sul, PMDB Governor Pedro Simon will also get involved in the succession process. Just as in the Sao Paulo PMDB, there are five precandidates: Lieutenant Governor Sinval Guazzelli, federal deputies Mendes Ribeiro and Ibsen Pinheiro, Senator Jose Fogaca, and state Deputy Cesar Schimer, an attorney and Simon's Chief of the Civilian Household. Of these, the most often mentioned are Guazzelli, who was once an appointed governor (under the military regime); Mendes Ribeiro, a radio and TV announcer to whom Rio Grande do Sul's "silent majority" is very receptive; and Schimer, who has an aptitude for economic issues and controls a sizeable sector of the party.

Parallel Government

An anti-Brizola front is likely to form in Rio Grande de Sul, and will certainly develop in Rio de Janeiro. It is difficult to predict, however, whether it will be as successful as in the 1986 election when the PMDB, benefiting from political alliances, and especially from the Cruzado Plan, won in both states. Last 15 November, when it garnered five out of every 10 votes among the Rio de Janeiro State electorate and six out of every 10 votes among the "gauchos," Leonel Brizola was able to prove, once again, that he is the crucial pawn in the

electoral chess games in those states. And one shouldn't forget that in the second round of the presidential elections on 17 December, Brizola "transferred" his formidable baggage of votes to Lula.

It is very probable that if the gubernatorial vote in Rio were held today, Brizola would win. When he appeared in public for the first time since the presidential election, on 22 January in downtown Rio—just as he turned 68—Leonel Brizola received repeated demonstrations of support from passersby, always accompanied by choruses of "He's already won!" The scene represented an unofficial launching of his candidacy for the Rio governorship, denied for the moment by the object of those attentions but never refuted by anyone else.

In Rio Grande do Sul, obviously, people still hold out the hope of seeing Brizola back in Piratini Palace, headquarters of the gaucho government (he governed that state from 1959 to 1962). "There's a love affair between Rio Grande do Sul and Brizola," former federal deputy Nelson Marchezan used to say. Marchezan backed Collor in the second presidential round and may be a candidate for the gaucho governorship via a probable alliance of the PDS, his party, and the PFL.

Nor can anyone rule out an alliance in those two states between the PDT and the PT [Workers Party]. This formula proved successful during the presidential election, and the leaders of the two parties are tempted to repeat it in some way. It is well to keep in mind that the elections for governor are also conducted in two rounds (if none of the candidates obtains a majority of the valid votes during the first round). That leaves the door open for deals. On 22 January, a barbecue at the home of the PDT mayor of Resende (a city in Rio de Janeiro State), brought together the big wheels of the two parties in an extremely cordial atmosphere. Brizola and Lula committed themselves to maintain, insofar as possible and with a view to the October elections, the opposition alliances forged last December.

Apparently, Lula didn't win the former governor's support for the PT's plan to set up a "parallel government" to serve as a permanent focal point for opposition, monitoring, and criticism of the Collor administration. Furthermore, although the PDT-PT alliance may be forged in the first round in state races with a single candidate, it would really function—in the more important states—in the event of a runoff. The PT has gubernatorial candidates in Sao Paulo, Rio, and Minas. There is still indecision in Tancredo Neves' state—the PT star with the best chances may be Deputy Virgilio Guimaraes, who just barely lost the election for mayor of Belo Horizonte to Pimenta da Veiga in 1988. But especially in Rio, the picture is already sketched out. All that remains is to put together the agreement concerning the proportional candidacies. Certainly there is willingness on the part of the PSB [Brazilian Socialist Party], the PC do B [Communist Party of Brazil], the PCB [Brazilian Communist Party], and the PV [Truth Party] to back the PT candidate for governor, Jorge Bittar, an engineer who came in second in the last mayoral election, won by Marcello Alencar of the PDT.

Finally, in Sao Paulo, although the PT has not yet formalized its choice, the candidate will be federal Deputy Plinio de Arruda Sampaio from the moderate wing of the PT. A skillful and tireless negotiator, Sampaio was one of the main political architects of Lula's campaign for president of the Republic. He is an enemy of the sectarian wings of the party and traditionally enjoys the support of the so-called "progressive clergy." Since early January, Sampaio has been saying that he would only run for the Sao Paulo governorship as the result of a consensus among the PT ranks. Gradually, as other potential candidates desist—as did Helio Biduco, state Deputy Jose Dirceu, and Alderman Eduardo Suplicy—the way was cleared for Sampaio. Suplicy may run for the Senate, provided that Lula doesn't covet that seat. "We have to consider the possibility that Lula might be interested," warns Suplicy.

Sao Paulo will in fact be one of the strangest arenas for the gubernatorial battles. That state, cradle of the PT, gave the victory to Collor, a political figure unknown until early last year whose party, the PRN, is practically nonexistent there. That is why there is a growing suspicion that the new president's strategy for combatting the PT in Sao Paulo would only become viable in the context of an accord with the PSDB. A victory here and in the majority of the other states would, for Collor, make up for a defeat in Rio and in Rio Grande do Sul. In Rio at least, a PRN disaster seems certain—so far, the candidates for the gubernatorial nomination are federal Deputy Rubem Medina and the current mayor of Duque de Caxias, Hidekel de Freitas, who holds more trump cards than the congressman. After all, he was able to defeat the PDT candidate in Baixada Fluminense, a Brizola stronghold. The third option for the PRN—one encouraged by Roberto Medina, a businessman and Rubem's brother—would be Sergio Lacerda, owner of the New Frontier publishing house and son of former Governor Carlos Lacerda.

No matter what, by next October many maneuvers are bound to have been executed and undone, many potential candidates will emerge by day only to disappear at night, and some names—very few—will gradually establish themselves. It seems certain that one of the fundamental vectors, that will determine the course of the gubernatorial campaign, and the Chamber and Senate races as well, will be the performance of the president-elect, i.e., whether or not he fulfills his campaign promises.

* Fallacies in Economic Projections Discussed

90ET0148A Sao Paulo ISTOE in Portuguese
24 Jan 90 pp 34, 35

[Text] To everyone's surprise, estimates of the Gross Domestic Product for 1989 indicate a growth of 4 percent. A much lower figure had been expected in light

of the disorder in the Brazilian economy and the uncertainty that reigned all last year. But a bigger surprise will come in March. Projections of the behavior of the economy during this quarter indicate that by the time Collor accepts the sash of presidential office, the pace of growth in the GDP will have reached 7 percent per year. If he chooses to interpret the statistics literally, Sarney will be able to say that he's turning over the country to his successor under conditions of full economic growth.

The problem is that statistics, like bikinis, show plenty but hide the essentials. The comparison is an old one, but applies to what is happening to the GDP now. Both at the IBGE [Brazilian Institute of Geography and Statistics] and the Applied Economic-Social Research Institute (IPEA)—whose estimates came out very close to each other—the economists responsible for the calculations hastened to explain that the results incorporate a "statistical effect" that is in no way negligible. More importantly, they reflect an artificial increase in consumption that certainly cannot be sustained and probably will be countered by the economic policies of the new administration.

"The base of comparison for the latest forecast of the GDP was unusually low," said economist Ricardo Marckwald, coordinator of the trend-monitoring group at IPEA, to explain the statistical distortion. The fourth quarter of 1988 was fairly recessionary, while the end of last year still reflected a heating-up of the industrial sector that began with the Summer Plan freeze. In the estimates for the current quarter—Sarney's last—that "statistical effect" will be even more pronounced, because the first quarter of last year was also very weak. That is why the projection for March indicates an increase of 7 percent per year.

At IBGE, head of the National Accounts Department Claudio Considera said that "it's a mistake to talk about a resumption of growth on the basis of those projections." Even so, he describes the behavior of the GDP under such chaotic economic circumstances as unusual. That demonstration of vitality results, however, from the rise in consumption that was initially stimulated by the freeze, and sparked later by a tendency to anticipate purchases, build up inventories, and steer funds into real assets. That was how many people and companies tried to protect themselves, or to speculate, in light of the prospects for hyperinflation. In addition, the government policy of paying high rates of interest on public debt instruments produced the so-called "wealth effect," i.e., the investors felt better off and so spent more.

The IBGE economist points out that since August, industrial production has tended to decline, although comparisons with the same period of the previous year continue to show significant growth. In November, for example, the increase was 11 percent compared with November 1988. But in a comparison with October, there was a 1.3-percent drop. Certainly, according to Considera, there is a major risk of a recession beginning in the second quarter of this year, regardless of what economic adjustment formula is adopted by the Collor administration.

This same conclusion was reached in the economic scenarios developed by IPEA. "Whatever the forecasting model is used, the trend is for a drop in production in the event of a fiscal adjustment," Ricardo Marckwald declared emphatically.

Another IPEA economist, Vagner Ardeo, calls attention to an additional complicating factor that will have to be dealt with by the new government's economic team. In his view, it is quite possible that the future economic program may include a fresh attempt at deindexation, and experience demonstrates that such a move is always accompanied by some expansion of consumption. It happens that last October, the average rate of occupation of the installed industrial capacity had reached 86 percent, comparable with the rate prevailing at the height of the Cruzado Plan. Even with a probable cooling off of the economy between now and March, the new administration will take office with a low rate of idle industrial capacity. "That factor poses a threat to the stabilization plan," observes Ardeo. "Any increase in consumption caused by a deindexation could exhaust the physical limits of production and generate new inflationary pressures."

The speculative legacy from last year is another complicating factor on the horizon. Unnecessary importing was one of the factors that influenced GDP growth last year. "Stocking up on certain imported products at the official exchange rate was one of the most profitable forms of financial investment," acknowledges Namir Salek, director of Cacex [Foreign Trade Department]. He estimates that despite his agency's vigilance, speculative importing amounted to $400 million in goods alone. A release of those stocks could worsen, for industry in those particular sectors, the recessionary effects of the fiscal adjustment expected to occur early in the Collor administration.

[Box, p 34] Numerical Juggling Act

How big was Brazil's GDP last year, anyway? Depending on what method you use to calculate it, the GDP may have been $300 billion, or no less than $480 billion, which would probably be celebrated as ecstatically as if Brazil were to leap over Canada. In that case, we could pound our chests and come out saying that we're the seventh-ranked capitalist economy in the world.

In the first instance, the accounting is done on the basis of a year for which the final figures are already available and during which the exchange policy accompanied inflation reasonably well—1985, for example. Adding to the GDP for that year the estimates of the growth occurring in the subsequent years, plus U.S. inflation, you arrive at $300 billion. The calculation is simpler in the second case. All you have to do is divide the estimate of the product, expressed in new cruzados, by the average exchange rate for the year. Since during the past

2 years a succession of "shock treatments" provoked major discrepancies between inflation and the exchange rate, calculations made using that criterion yield a much higher dollar value.

In reality, estimates of GDP growth are valuable indicators of the level of economic activity but say little about the degree of development and even less about people's quality of life. Although the Brazilian product is one of the largest in the world, the GDP per capita is one of the lowest—about half the world average. In terms of social indicators, the situation is even worse. In infant mortality, illiteracy, and health conditions Brazil ranks among the poorest nations on the planet.

* Collor Envisions Social Liberal Party

90ET0138A Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Feb 90 p 9

[Article by Silvia Bittencourt]

[Text] Within this year, President-elect Fernando Collor could form a new party which could give sustenance to his government. His brother, Leopoldo Collor de Mello, and businessmen Egberto Baptista and Luiz de Negri, who worked in the PRN [National Reconstruction Party] campaign in Sao Paulo, are responsible for planning the creation of the new party, which should have a "social liberal" profile. The objective is to create a party with an ideological program, which the PRN lacks. The new party will take in politicians who supported Collor's candidacy and who intend to leave their own parties, as well as individuals who worked in the campaign but who have no interest in joining the PRN. The name of the new party could be the "Social Liberal Party."

The project is still in the discussion phase and its architects say there is no deadline for its completion. "The party will emerge this year if there is a political need for it," de Negri told FOLHA. He ruled out the possibility that the new party would compete in the next elections, in October.

After his election, Collor began to discuss the creation of a party. The PRN was created early last year, in some haste, simply to sustain his presidential candidacy. It grew as the election campaign progressed.

In the opinion of the businessmen who are putting together the new project, "social liberalism" is a "trend" in European democracies. They advocate "meritocracy," competition and state intervention primarily in the social areas. They say the new party will not resemble the PL [Liberal Party], which de Negri feels is centered around one individual: Afif Domingos, the defeated presidential candidate.

According to de Negri, the party will not center on a "star." He makes a point of saying that the party is not being created "on order" of the president-elect, but of a "group from the civilian society." Collor has given his input and encouragement to the project.

De Negri, who intends to run for federal deputy this year, is responsible for conceptualizing the party. To this end, he is working with students of political science, philosophy, and sociology, whose names he would rather not divulge. He said that a first outline of the party would be ready in 20 days.

Baptista, the "right hand" of the president-elect's brother, is studying the legislation. He told FOLHA that the large number of leaders who supported Collor's candidacy throughout the country would make it possible to fulfill the legal requirements for the creation of a political party.

Leopoldo and Baptista coordinated the MPRN (Popular Movement for National Reconstruction), formed by several groups that supported Collor's candidacy in Sao Paulo, including the PRN. They are not affiliated with that party.

Chile

USSR's Zagladin on Economic, Cultural Exchange

PY1303205390 Santiago Radio Chilena Network in Spanish 1600 GMT 13 Mar 90

[Text] The resumption of diplomatic ties between Chile and the Soviet Union will enhance integration and allow the development of mutually beneficial cultural and economic exchanges between the two nations.

This remark was made by Vadim Zagladin, head of the Soviet delegation to the presidential transfer of power ceremonies, and an adviser to the [chairman of the Presidium of the] Supreme Soviet, who visited the Institute of Chile this morning.

[Begin Zagladin recording; in Russian with passage-by-passage translation into Spanish] New conditions are being created for developing relations, not only between the states and the state-run enterprises, but also between our various enterprises and the Chilean private sector, including small and medium-sized industries.

We are now free to use generously any possibility at hand. In our opinion, this is what should be done.[end recording]

The Soviet official said that it is necessary in the talks to progress step by step, seeking to facilitate integration now that diplomatic relations have been reestablished.

Zagladin indicated that both Chile and his country are enjoying new economic freedom that permits direct contact between private enterprises.

Asked about the possibility that Soviet President Mikhail Gorbachev may visit our country, Zagladin said that Gorbachev should be formally invited by Aylwin but that he will recommend Gorbachev come.

Zagladin concluded by saying that during this new period, the reciprocal exchange between the two nations should not exclude the military sector.

Polish Official Discusses Economic Relations

PY1303152290 Santiago Domestic Service in Spanish 1000 GMT 13 Mar 90

[Text] Polish Vice President [title as heard] (Piotr Nowina Konopka) has said his country will make economic relations with Chile a priority, stressing the fishing industry.

(Konopka) made this announcement after meeting with Senator Andres Zaldivar, Christian Democratic Party president.

[Begin (Konopka) recording, in progress; in Polish with passage-by-passage translation into Spanish] ...for example, cooperation in open-sea fishing based on joint ventures [preceding two words in English]. We have great possibilities in this field because our economies can supplement each other perfectly.

I believe we have much to gain in this common enterprise and it will be profitable for both our countries.[end recording]

(Konopka) added that it will be possible to reach mutual economic agreements because the two nations have become trustworthy organizations in this particular field. [sentence as heard] (Nowina Konopka) said that Poles and Chileans are representatives of people who know how to wait.

Andreotti, Aylwin Announce Cooperation

AU1303135090 Rome ANSA in English 0838 GMT 13 Mar 90

[Excerpts] (ANSA) Santiago [dateline as received]—Italian Premier Giulio Andreotti stressed the importance of constructing "a solid building" in which to develop mutual economic interests with Chile at a ceremony here Monday [12 March] to inaugurate the first Italian foreign trade institute, ICE, offices in the country. Andreotti said Italy must and wants to help Chile, "which has been penalized by its distance from Italy, but we must find formulas that will also help Italy because only in this way will truly solid and long-lasting relations be created."

Andreotti, here on a three-day official visit, cited the great democratic traditions which Chile must now regain, adding: "I have never believed that the respect of human rights, trade union and religious freedom and democracy have ever been an obstacle to a country's development." He also said he has never accepted the division between private and public sectors and stressed the hope that ICE initiatives in Chile will be backed by all Italian entrepreneurs.

In response to reporters' questions, Andreotti stressed that European aid to Eastern European countries will not penalize Latin America because "The extension of well-being must be projected on all continents." [passage omitted]

Andreotti pledged his country's "decisive support" in favor of Chile's economic and social reforms and development at a meeting here Monday afternoon with his friend and fellow christian democrat, newly elected President Patricio Aylwin, after the latter's inauguration ceremony.

The two leaders signed a joint statement, Aylwin's first official international act in office, announcing a bilateral cooperation agreement will be signed in the very near future, "[word indistinct] will reflect the new climate of bilateral relations and establish the premise for concrete collaboration programs for the future."

The half-hour meeting between Andreotti and Aylwin was described as very cordial and even moving. During the years of Aylwin's opposition to General Augusto Pinochet, the Chilean leader maintained close ties with the Italian Christian Democrats and with Andreotti in particular.

Aylwin, Gonzalez Sign $2-Billion Agreement

PY1303143890 Santiago Domestic Service in Spanish 1000 GMT 13 Mar 90

[Excerpt] [passage omitted] Spanish Prime Minister Felipe Gonzalez has reiterated that his country will give assistance to Chile not by making speeches, but by signing a cooperation agreement with President Aylwin.

Gonzalez and Aylwin signed a $2-billion agreement, broken down into $800 million in loans and $1.2 billion in Spanish investments in Chile. Aylwin emphasized the importance of this agreement for Chile's development. Through this agreement, he said, the Spaniards have once again demonstrated their traditional support for Chile.

Pinochet on Meeting With Rojas, Future Plans

PY1303141490 Santiago Domestic Service in Spanish 1000 GMT 13 Mar 90

[Text] Army Commander in Chief Augusto Pinochet Ugarte has said that he will take a long vacation and visit the various military units in the country. General Pinochet made these remarks in his office. He added that his meeting with Defense Minister Patricio Rojas went normally. I have known him since he was the intendant for the city of Antofagasta, Pinochet said.

[Begin recording] [Pinochet] (?I made it clear to him today that) I left the post of president, but I have always been in the Army and will continue to do what I have been doing.

[Reporter] What will you do in the future?

[Pinochet] I will take vacations.

[Reporter] When are you leaving?

[Pinochet] Today.

[Reporter] Where are you going?

[Pinochet] Ah! (?I cannot tell you).

[Reporter] For how long?

[Pinochet] For a week, and then I will be gone again for a long time.

[Reporter] What will you do in one week? Will you finish your memoirs?

[Pinochet] I will be working and writing.

[Reporter] During that long period of time, will you leave...?

[Second Reporter, interrupting] (?Will you leave the country for awhile?)

[Pinochet] You know I cannot move from Chile until [words indistinct].

[Reporter] But you have received an invitation from Czechoslovakia.

[Pinochet] Yes, but [words indistinct]....

[Reporter, interrupting] Will you accept it?

[Pinochet] I do not know. [end recording]

Pinochet reiterated that, for the time being, he has not considered the possibility of visiting some countries from which he has received invitations. He said he will stay in Chile to vacation and to visit military units.

Reported Sale of Arms to Iran Discussed

PY1203154090 Santiago HOY in Spanish 5-11 March 90 pp 4-7

[Interview with French engineer Bernard Stroiazzo by Gilberto Villarroel at Villamagna Hotel in downtown Madrid; date not given]

[Excerpts] [passage omitted] [Villarroel] When did the Chileans first contact you to ask about your acting as a middleman in the sale of cluster bombs to Iran?

[Stroiazzo] That is very simple. I have an old friend in Madrid who works at Dino Seferian's office. He talked to me one day and asked me whether I could help him sell Chilean material through my contacts in Iran. I told him I would make some inquiries. He then invited me to come to Madrid and, in the presence of Seferian, introduced me to Fernando Perez. Perez said he was authorized to sell that type of weapon. He hinted that he represented a top-secret organization and had top-level governmental authorization. [passage omitted]

[Villarroel] What was Fernando Perez' concrete proposal?

[Stroiazzo] He showed the weapons to me, but I was not familiar with them. He said Carlos Cardoen, who was selling the same type of material to Iraq, was making a fortune. He told me Iran needed the weapons but did not know where to get them. As a guarantee, he showed to me a letter signed by General Luis Reyes, director of Chile's Famae [Army Ordnance]. He confirmed that Ferrimar [expansion unknown] and Famae had created a partnership to produce the weapon. He guaranteed the quality of the material. That was during the summer of 1985. I told Perez: "If you give me a bank guarantee, I will try to sell the material, because Iran also needs it."

[Villarroel] Did Perez then propose the deadlines for the deal? Did he tell you how many bombs would be sold to Iran?

[Stroiazzo] Yes, they were willing to sell as many as needed, 5,000 or 10,000 bombs. The delivery deadline was very short: Shipments of 300 to 500 bombs could be sent every month. [passage omitted]

[Villarroel] Chile, however, did not want to appear to be selling weapons to both sides. Chile also was not willing to reveal that Famae was exporting that type of material. That is why it was necessary to arrange a triangle operation, as if the material was to be sold to Nigeria. What was your role in this operation?

[Stroiazzo] I had nothing to do with that. The Chileans told me there would be no problems with selling the weapons to Iran.

[Villarroel] The first shipment, however, had to take a long detour.

[Stroiazzo] No, not at all. That is fancy. The transportation certificates, with Lloyd's insurance coverage, did not conceal anything. They mentioned the arrival point, which was Bandar Abbas. Ferrimar stated in the certificate that the products were heading for Iran. I have more documents, among them a certificate from the Chilean Chamber of Commerce, confirming the contract for the provision of the Ferrimar material to Iran.

[Villarroel] Ferrimar and Famae officials told the Foreign Ministry and the Defense Ministry—which had to authorize the shipments—that the products would be sold to Nigeria. Were you aware of that?

[Stroiazzo] I was not. I know nothing about that; I was responsible for the plane transportation, which was a quite sensible issue. The plane left Santiago, was refueled in Recife, made a stopover in Barcelona, and then headed directly for Bandar Abbas. That happened in February 1986, when the first shipment was sent. The shipment, however, did not undergo enough tests. The second shipment was sent on 27 or 28 June 1986. The first shipment had 95 to 100 bombs and the second 87 to

90, because some spares had to be provided to repair some of the bombs from the first shipment. [passage omitted]

[Villarroel] What did you do afterwards?

[Stroiazzo] I returned to Paris and consulted with some engineers, experts on the aerodynamics problem. They gave me some advice regarding the bomb's matrix body, and I traveled to Chile, where I met Aldo Pesce and Commander Carlos Carreno. They took me to the plant in Talagante and showed me some 500 bombs that had been finished. I suggested that the bombs be tested in Chile before the second shipment. I was surprised to discover that my contact, Fernando Perez, was not there. He showed up a week later and told me that he had been in the north exerting some pressure. He said that the tests were to be conducted at the Peldehue airport, near the NASA installations. We had to show our papers at the military compound entrance, and that was when Fernando Perez opened a briefcase in which I was able to see a bill from the Sheraton Hotel in Baghdad.

[Villarroel] Did you then learn that he had traveled without telling you about his trip?

[Stroiazzo] He had gone to Baghdad to try to sell the bombs to Iraq. [passage omitted]

[Villaroel] Why did you insist on continuing with the deal?

[Stroiazzo] Because the military and Famae were behind it. They sent me two videos—one on Famae and another on the aircraft test over the Atacama Desert—and pictures, which I sent to the Iranians. The Iranians replied: "If the videos are true, if they work this way, deliver the second shipment." There was what seemed to be an F-5 in some pictures and a Hawker Hunter in others.

[Villaroel] Did you not know about the tests conducted in mid-1986 in two FACh [Chilean Air Force] Hawker Hunters over the Atacama Desert, which were disastrous because the bombs went off too soon, endangering the planes? It is said that FACh Chief Commander General Fernando Matthei ordered the tests suspended after that. Did you know this?

[Stroiazzo] Never. If I did, I would not have involved myself in this messy affair. Fernando Perez had said that everything was fine, the tests were successful, and that the FACh was going to place an order for this type of bomb with Famae. So I went to Iran and asked for an authorization for the shipment on 27 July 1986. We used the same planes, the same pilots, and the same route. The cargo ship Jenka had left Valparaiso, where it had been waiting for three months for a shipment of bombs consigned to Queen Freight Limited. This cost us more than $150,000. The idea was to send a heavier cargo, because a Boeing 707 could not be loaded with more than 100 bombs weighing 25 tons apiece. [passage omitted]

'Radical Change' Reportedly in State Media News

PY1403010890 Madrid EFE in Spanish 0245 GMT 13 Mar 90

[Text] Santiago, 12 Mar (EFE)— Chileans have recently been experiencing a radical change in the style and content of the news broadcast by the state-owned media, which consists of Television Nacional, LA NACION daily, and Radio Nacional.

The most effective of the three has been Television Nacional, which outgoing President Augusto Pinochet's used as the base for his propaganda apparatus. Television Nacional's retransmitting equipment blankets the entire 4,000 km of Chilean territory.

While Radio Nacional has the most powerful radio equipment in the country, the tabloid LA NACION was printed in very limited numbers and reached only the official organizations.

As soon as General Pinochet handed power over to President Patricio Aylwin of the Christian Democratic Party, official media coverage changed entirely.

Television Nacional de Chile began to broadcast, for the first time in 16 years, clips of the political prisoners who were taken to National Stadium, which became the main concentration camp after the military coup of September 1973. Today, a demonstration to honor President Patricio Aylwin will be held at National Stadium.

In its 12 March issue, LA NACION changed its front page completely with the main headline reading: "At 1315, Chile started treading the path that will lead it back to democracy."

The front page included two large color photographs of President Aylwin. The first shows Aylwin being greeted by Senate President Gabriel Valdes after having received the presidential sash, as outgoing President General Pinochet watched. The second shows Aylwin on a balcony of La Moneda Palace, greeting the thousands of people who had gathered in front of the palace to warmly welcome him.

The issue also includes a page entirely related to human rights and two other pages dedicated to cultural matters, including the lyrics for several songs that were sung at hundreds of different opportunities by people who opposed General Pinochet's military regime.

The changes in Radio Nacional de Chile newscasts were less evident. In the morning, it covered all the ceremonies presided over by Pinochet before handing over power; in the afternoon, it covered, in detail, all the activities of the new president and his government team.

Government Authorizes Exiled Bishop's Return

PY1303234590 Santiago Radio Chilena Network in Spanish 1600 GMT 13 Mar 90

[Text] Today the government authorized the return of Lutheran Bishop (Helmut Frenz) to the country. Interior Under Secretary Belisario Velasco announced that the bishop will arrive this afternoon.

(Frenz) worked on the Pro-Peace Committee and was expelled from the country by the previous regime. The decision to let the Lutheran bishop return was the result of a review of 5,980 foreigners designated as being forbidden from entering the country.

Colombia

Policeman, UP Activist Killed in La Estrella

PA1303134690 Bogota Radio Cadena Nacional in Spanish 1200 GMT 13 Mar 90

[Text] Antioquia—According to reports provided to Radio Cadena Nacional by the authorities, a metropolitan policeman and an activist for the Patriotic Union [UP] were murdered during the past few hours in the municipality of La Estrella, south of (El Valle de Uraba). The reports say that policeman Francisco Javier Arena Rendon, a 26-year old native from (Cartago-Bayo), was fatally shot while riding his Honda motorcycle, license plate ENB-23. Arena joined the police force on 28 January 1988 and was assigned to La Candelaria police station in Medellin at the time of this death.

The authorities also reported that Rafael Ovidio Madrid Hernandez, 42, was shot several times by unidentified individuals. Madrid Hernandez worked at the Conconcreto Company and was an UP activist in La Estrella municipality. Madrid Hernandez was a candidate for councilman in the 11 March elections. The authorities blame his death on a personal vendetta.

UP Victim Toll Reaches 76

PA1303235890 Hamburg DPA in Spanish 2308 GMT 13 Mar 90

[Text] Bogota, 13 Mar (DPA)—Two members of the leftist UP were murdered in Chigorodo in northwest Colombia today, increasing the number of UP victims so far this year to 76.

According to initial reports, the UP political leaders were riding a bus from Chigorodo to Medellin when heavily armed men forced them to get off.

Authorities later found the bullet-riddled bodies of 18-year-old Liliana Lopez Lora and an unidentified man. It was reported that an individual who accompanied the victims, another UP activist, is still reported missing.

The assassinations of leftist leaders have increased remarkably this year; the number of UP victims since the group was created in 1985 already surpasses 1,000.

According to UP leaders, a lack of guarantees to carry out political activities is one of the reasons that the group received such a low voter turnout in the 11 March legislative and municipal elections.

Former Senator, Judge Shot to Death With Wife

PA1303162190 Madrid EFE in Spanish 1530 GMT 13 Mar 90

[Text] Bogota, 13 Mar (EFE)—Colombian authorities have reported that Tarsicio Roldan, a former Colombian senator and Supreme Court judge, and his wife Gloria, were shot to death in their Bogota home today by three individuals who had identified themselves as policemen. The Colombian Police reported that Gloria Betancurt de Roldan, convinced that the aggressors were policemen, opened the door for them.

The judicial authorities have begun an investigation to establish the reason for the crime and to track the killers.

Paraguay

Rodriguez on Visit to Chile, Quayle Arrival

PY1303163090 Asuncion ABC COLOR in Spanish 13 Mar 90 p 11

[Text] "The Paraguayan Government expects the United States immediately to lift the sanctions that were imposed on our country through the General Preference System. We have done our part and now they have to do theirs." President Andres Rodriguez made these statements yesterday in reference to the official visit by U.S. Vice President Dan Quayle, who arrived yesterday.

"That is what we are going to ask Vice President Quayle—that the barriers that have stood for so long be lifted immediately." The chief of state said this to journalists covering his visit to Chile during the flight back from Santiago.

"We have satisfied their demand to recognize workers' unions. Since I took power, more than 150 unions have been recognized through the Justice and Labor Ministry," the chief of state noted.

He explained that this topic will be one of the main points on the agenda for his talks with Quayle during the vice president's brief stay in Asuncion.

Asked about a report released by the U.S. State Department that some practices, including corruption, still exist, Rodriguez replied: "I do not know.... The information from the State Department, based on an analysis made by their people, seems exaggerated."

Rodriguez continued: "I even agree with some points, really. But I do not agree with their statement that the press is still pressured by the executive branch not to report the truth or not freely express itself. I do not believe this is the case, and you know this is not so."

As for yesterday's noontime "minisummit" in Santiago with other chiefs of state, Rodriguez said no document or declaration was signed at that meeting. "It was held only to toast the happiness and prosperity of the Chilean people and the triumph of democracy in Latin America," he added.

"President Aylwin raised his glass and toasted all the presidents, thanking them for their nice gesture in attending the inauguration of his new government," Rodriguez explained.

He also commented on the Te Deum at the Cathedral of Santiago with the participation of representatives of the Catholic Church, the Evangelical Church, the Pentecostal Church, etc., with each one offering a prayer for the consolidation of all freedoms.

Incidentally, he noted that all sectors in our country should be given full participation in activities of this nature.

"We are going to promote such participation. Each sector has a right to participate in ceremonies of this nature. This is the second experience I have had with the participation of all denominations, such as the orthodox, the ecumenical, etc. The first was in Montevideo, and now I have had this one in Santiago," Rodriguez said.

"I wish all the countries in the world could live in full democracy," said the president. He then noted statements from friendly chiefs of state who agreed that their presence in Santiago was another step toward the complete consolidation of democracy in Latin America. Rodriguez also said that "our presence at that event represents our support for democracy in Chile and strong support for the new Chilean Government of Patricio Aylwin."

Rodriguez on Quayle Meeting

PY1303184090 Asuncion RPC Television Network in Spanish 1502 GMT 13 Mar 90

[News conference with President Andres Rodriguez and U.S. Vice President Dan Quayle by unidentified reporters aboard the Carlos Antonio Lopez presidential yacht in Asuncion Bay—live]

[Excerpts] [Rodriguez] Gentlemen, I would first like to express the satisfaction I felt this morning when the U.S. vice president accepted my invitation to take a short cruise aboard the presidential yacht to become acquainted with our Paraguay River and to help gain a favorable impression of our idea to use this waterway with five [number as heard] other Latin American countries. This will turn the Paraguay River into a waterway providing a special path for our exports and imports. We therefore showed him some of this waterway that we want to use to a greater extent.

The cruise also gave us a chance to negotiate some pending matters between Paraguay and the United States of America.

First, we have fully agreed to cooperate in eradicating once and for all the extremely malignant scourge that is threatening all of humanity: drugs and drug traffickers. We are all committed to this goal. I even understand that all the countries of the world will reach an agreement to exterminate totally this evil, which is threatening humanity, within five years or so.

Furthermore, as a Paraguayan I can assure you that we are fully committed to the struggle against these drug traffickers. To us, these people represent the greatest threat in the entire world.

I am grateful that the U.S. vice president accepted the invitation I extended to him. As a Paraguayan, I am proud that we have fully agreed on all our ideas, on our goals to better serve democracy each day, and on the efforts to bring well-being to our Paraguayan nation with the cooperation of this country, the leader of democracy. Thank you. [passage omitted]

[Reporter] Mr. President, I would like to ask if you and Vice President Quayle addressed specific topics in which the Paraguayan and the U.S. Governments will cooperate....

[Second Reporter, interrupting] In the fight against drug trafficking?

[Rodriguez] I can tell you that we have actually addressed the subject. In my capacity as Paraguayan president, I can promise that inside our territory we will do everything we can to win this battle. That is why we declared war on drug traffickers in our country. We are firmly convinced that drug trafficking is threatening mankind and, as the U.S. vice president put it, everyone on the planet. You people are also threatened by that evil, by that scourge. All of us should unite; all inhabitants of this planet should cooperate to definitively eliminate this ill-intentioned evil that is threatening us all.

[Reporter] Did you discuss specific measures in which to cooperate? For example, military efforts against drug traffickers?

[Rodriguez] Yes, I can tell you that we are restructuring Dinar [National Narcotics Directorate], the organization that is tasked with coordinating actions with foreign countries through the exchange of information and with taking the appropriate measures. We have just restructured this organization so the Armed Forces can efficiently cooperate in the mission in which we, as Paraguayans, have promised to devote our efforts. [passage omitted]

Foreign Minister on Talks

PY1303215190 Asuncion Red Nacional de Television in Spanish 1615 GMT 13 Mar 90

[Interview with Paraguayan Foreign Minister Argana by unidentified reporter at Silvio Pettirossi International Airport in Asuncion—live]

[Text] [Argana] The visit by U.S. Vice President Quayle was very fruitful regarding bilateral relations between Paraguay and the United States, especially regarding the fight against drug trafficking and the lifting of sanctions through the General System of Preference, which were applied because of anti-union activities, the persecution of labor leaders, and the nonrecognition of labor unions. Today, within one year, 180 labor unions have been recognized and all types of labor leader persecution have ceased. Therefore, the causes for the sanctions have disappeared, and now it is only appropriate that they be lifted. To this effect, we have clearly spoken with Vice President Quayle.

[Reporter] Thank you, Mr. Minister.

Deputy, Official Remark

PY1303193590 Asuncion Red Nacional de Television in Spanish 1630 GMT 13 Mar 90

[Text] [Announcer] Continuing his busy agenda, U.S. Vice President Dan Quayle met this morning with representatives of Congress, businessmen, and politicians. Guillermo Yaluk has this report for us.

[Begin recording] [Yaluk] Vice President Dan Quayle held an impromptu conversation this morning at the U.S. Embassy with national congressmen. They noted the U.S. Vice President's interest in cooperation and greater rapport with Latin America. Colorado Party Deputy Julio Cesar Frutos put it this way:

[Frutos] The 13 representatives who went to see Quayle spoke. Regarding our concerns over trade with communist countries, the U.S. Vice President said: It is an opportunity to sell your products to communist countries. It is an expanding market, he said, as though urging us to establish commercial relations with those countries.

[Yaluk] What was your posture regarding the U.S. intervention in Panama?

[Frutos] We did not mention this topic. We all expressed to U.S. Vice President that we are involved in a political process that is evolving into a democracy. We all agreed on this. It was a very cordial meeting.[end recording]

[Announcer] In turn, Dr. Miguel Angel Gonzalez Casabianca [special presidential adviser] emphasized that the United States wants broader cooperation with Latin America.

[Begin recording] [Gonzalez Casabianca] We told him that we believe political democracy must go hand in hand with economic and social development; otherwise, democracy can become fragile. We therefore appeal to the sensibility of the world's developed countries, the United States and other industrialized countries, to clearly understand that economic development is one of the primary prerequisites for the consolidation of democracy in Paraguay and Latin America. Summing up, Vice President Quayle said that the United States is really interested in giving preferential treatment to Latin America, and that the political, economic, and social development of our continent is now a priority for the United States. [end recording]

Papers Comment on Visit

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[Editorial Report] Paraguayan newspapers have given wide coverage to the 12-13 March visit of U.S. Vice President Dan Quayle to Paraguay. On 13 March, all four Asuncion Spanish-language morning dailies devote front-page pictures and headlines highlighting the U.S. Vice President's visit with two inside pages with reports of his activities in Asuncion, the capital city of Paraguay.

The ABC COLOR morning daily, on page 10 of its 13 March issue, carries a 500-word editorial entitled "Vice President Dan Quayle's Visit." The editorial states that Mr. Quayle's visit reaffirms "the friendship that exists between our two countries and confirms our cordial relations."

The editorial notes that "Paraguay does not expect donations or generous loans, but rather, real cooperation formulas." It adds: "We hope Mr. Quayle will bring us the good news that the United States has decided to use its great influence with the IMF to facilitate our operations; that the United States will use its great political and economic power to help us negotiate the payment of our foreign debt under the best possible terms; that the U.S. Government has taken measures to encourage U.S. investments in our country; that it will give preferential treatment to Paraguayan products; and that it is determined to support every undertaking that would promote our modernization, and not rhetorically but with tangible achievements."

The editorial concludes by stating that "Paraguay is going through a critical period and this is the time when our friends must show that they are truly our friends."

The pro-government daily PATRIA, on page 8 of its 13 March issue, carries a 600-word editorial entitled "Quayle's visit." The editorial states that "the visit of U.S. Vice President Quayle is an honor for the country and for the government." After noting that this the first visit to the country by a U.S. Vice President since Richard Nixon's, PATRIA says that "this visit has been made possible thanks to the development of political ideas in Paraguay." The editorial concludes by stating that Quayle's visit "is not just a protocol visit, but marks the resumption of sincere cooperation between our two countries, seeking to strengthen our common objectives as sister American nations."

The evening daily ULTIMA HORA, on page 6 of its 12 March issue, carries an 800-word commentary entitled "What Quayle is bringing us," signed by Fernando Masi. The commentary reviews U.S. foreign policy toward Latin America since World War II, highlighting the Carter Doctrine. The commentator says: "Before leaving

his country, Quayle said he was not coming to give us lessons, but to listen. The great lesson, however, that he must learn is the one given by his fellow countryman Jimmy Carter, who has chosen to promote democracy through votes and through his presence in Nicaragua instead of sending military troops into Grenada or Panama." He concludes by stating that Carter moved ahead of his time, "but unfortunately, he did not have a Gorbachev as his counterpart."

Rodriguez Talks in Chile With USSR's Zagladin

PY1303231190 Asuncion ABC COLOR in Spanish 13 Mar 90 p 11

[Text] During a luncheon held yesterday by Chilean President Patricio Aylwin at La Moneda Palace in Santiago, the Soviet vice president and one of Mikhail Gorbachev's main advisers [titles as published], held a lively conversation with Paraguayan President Andres Rodriguez.

President Rodriguez also held long talks with outgoing Nicaraguan President Daniel Ortega and other Latin American presidents.

These meetings took place at the installation of Augusto Pinochet's successor in an extremely friendly atmosphere.

Asked about Rodriguez' meeting with the Soviet representative, Foreign Minister Luis Maria Argana said that no topic was discussed in depth.

"They did not discuss trade or diplomatic rapprochement between the two countries. They simply exchanged courteous greetings," the minister said.

Ayuana explained that Paraguay may engage in trade relations with the Eastern countries and to avoid intermediaries. "I have discussed the topic with President Rodriguez, and he is not inflexible on the issue," he added.

"I believe that we should first create a trade office in a central part of Europe—Vienna, for example—and then begin to contact the Eastern countries. This office would be financed by private businessmen, particularly by production-sector businessmen, because they are the most interested in eliminating intermediaries," he pointed out.